U.S. News
World Report

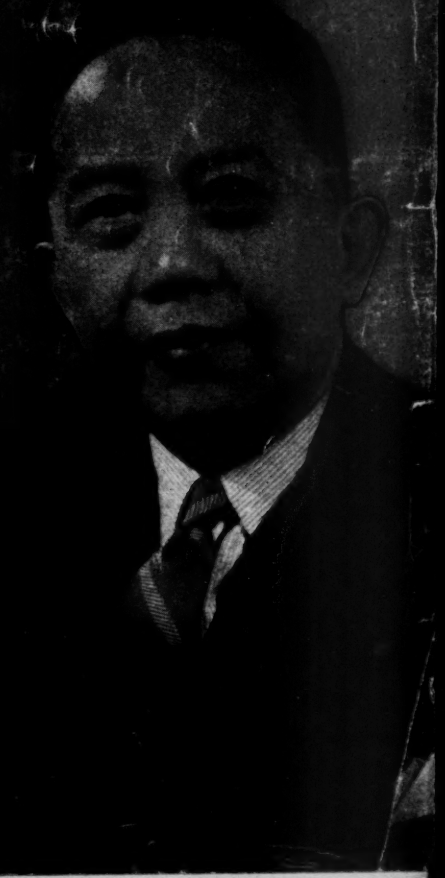
APRIL 15, 1955 20 CENTS

POLIO—
NO MORE WORRY?

PURDUE UNIVERSITY
LIBRARY

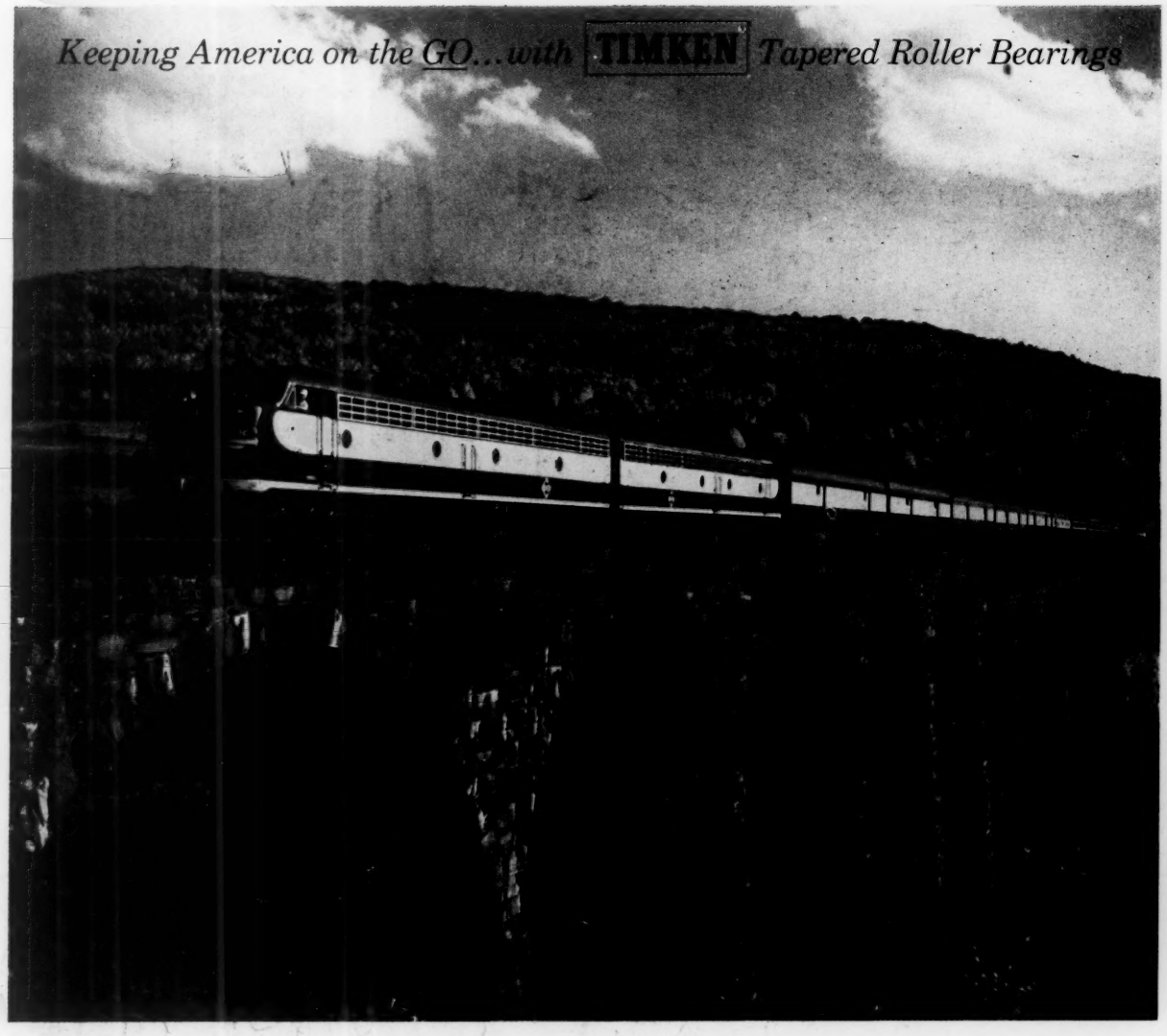
CRUSADE IN ASIA

Story of the Communist Plot In the Philippines



As told by
CARLOS P. ROMULO
Former President,
United Nations Assembly

Keeping America on the GO...with **TIMKEN** *Tapered Roller Bearings*



The Erie Limited shows freight trains how to do the impossible

STREAMLINERS like the Erie Railroad's New York-Chicago *Erie Limited* have created a new kind of railroad passenger travel—with diesel power, air conditioning, roller bearings and modern Pullman accommodations.

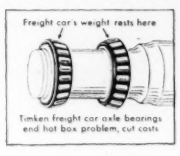
Now streamliners are sparking a new trend in freight trains: freights immune to the hot box problem, No. 1 cause of freight delays. By using the Timken® tapered roller bearings that made fast, on-time streamliners practical, freights can now meet schedules that hot boxes and lengthy terminal bearing inspections once made impossible.

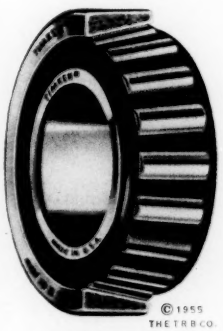
Timken bearings *roll* the load. There's no sliding friction, no overheating to cause hot boxes. And bearing inspection takes only one-tenth the time required with old-style friction bearings.

"Roller Freight" is the next great step in railroading. It will give the railroads a big drawing card for tomorrow's business with faster service, on-time deliveries. And when all freight is "Roller Freight", the railroads will save $190 million a year.

Timken bearings practically eliminate friction because they are designed for true rolling motion, precision manufactured to live up to their design. And to get steel good enough, we make our own. No other U. S. bearing maker does.

The railroads, like all industry, use Timken bearings to keep America on the *go*. The Timken Roller Bearing Company, Canton 6, Ohio. Cable: "TIMROSCO".

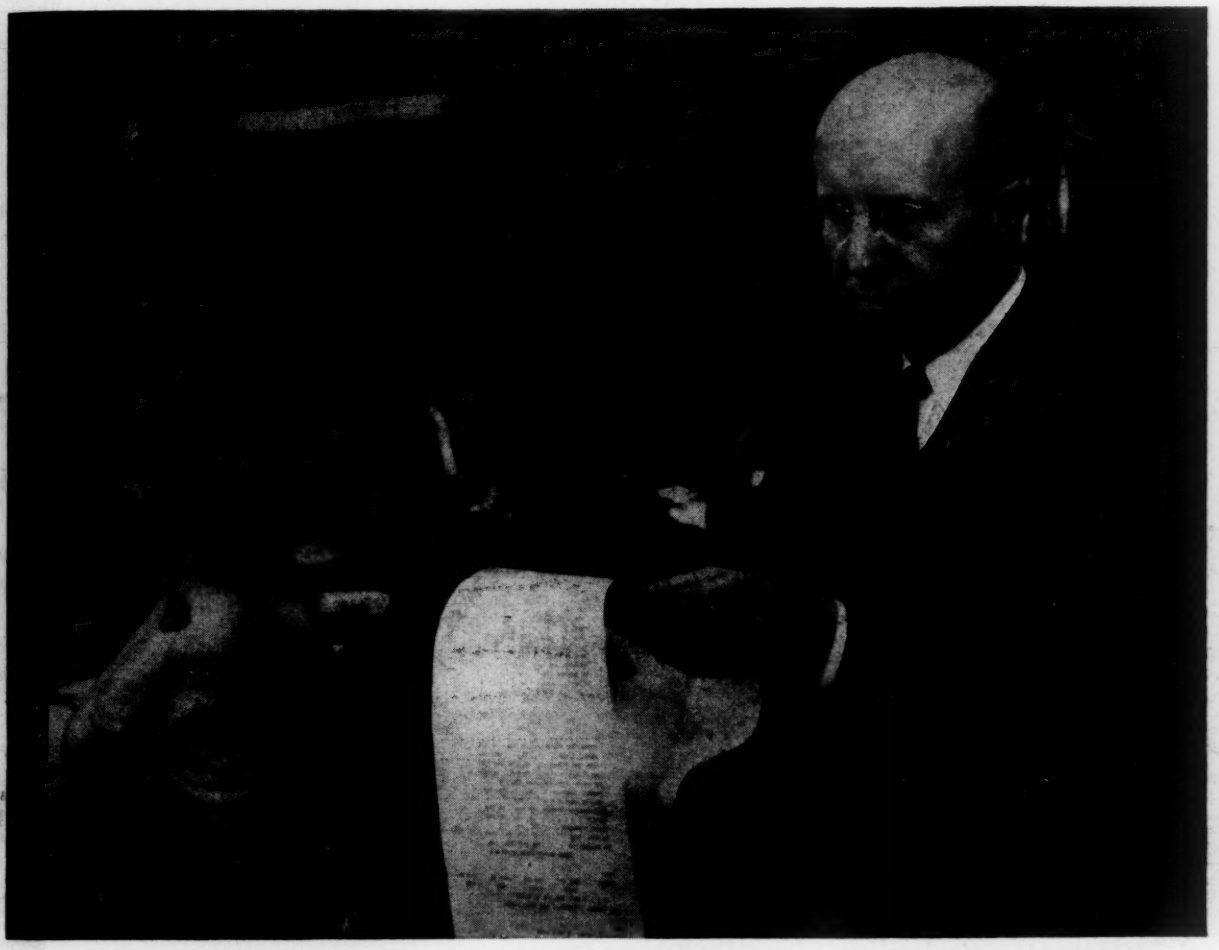




©1955 THE TRB CO.

Only **TIMKEN**® *bearings roll so true, have such quality thru-&-thru*

How's the Market?

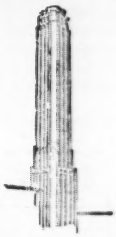


Not a bad question these days... one which unfortunately can't be answered realistically here and now. But Mr. Foster Cooper and his staff are quite real... and *very* realistic when handling all types of security transactions for our clients.

That's Mr. Cooper, scanning the financial news ticker for up-to-the-minute news on an important market development. Behind him are several members of his department, experienced traders in touch with dealers and brokers on various exchanges across the country.

They're part of City Bank Farmers team of top-flight "pros" ...outstanding in the field of managing money for individuals and corporations. Isn't that the kind of team you want to help manage *your* financial affairs?

We would like to send you a copy of **"How To Get The Most Out Of Your Investments."** It describes our Investment Advisory Service, which many clients feel is more than worth the modest annual fee. Just drop us a line, or telephone for your copy... no cost or obligation.



City Bank Farmers
CHARTERED 1822 *Trust Company*

22 William Street, New York 8, N. Y.
Telephone: BOwling Green 9-1200

Trust Affiliate of
The First National City Bank of New York

IN THIS ISSUE

★ What the New French Premier Wants to Do

Here, in an exclusive interview with the new Premier of France, is Mr. Faure's formula for meeting France's troubles. His views, important to U. S. as well as Europe, are revealed on how to deal with Russia, when to expect a German Army, how to build up the French economy and what to do about U. S. aid. See page 98.

★ Did Admiral Carney Really Predict a Red Attack?

For the story of what Admiral Carney said at his now-famous "background" conference, as told by several who actually attended and took sometimes contradictory notes, see page 22.

★ Quick Profits in Atomic Industries?

Investors are bidding up the stocks of companies dealing in atomic power. But how soon will private industry really start making money out of the atom? For the outlook, page 42.

★ Contents

March of News 4
Washington Whispers 8
Tomorrow: A Look Ahead 11
People of the Week 14
★Polio—No More Worry? 19
Fuss Over an Admiral's Disputed Remarks 22
Berlin: Another Island in Trouble 26
Friends Set Stage for Ike in '56 30
How Election Winds Are Blowing 35
Churchill Fretted—Will There Be Time? 36
Boom in Atom—When? How Big? 42
Where Jobs Will Be Best in Future 44
State vs. Church—Perón's New Fight 50
Worldgram 57
Yalta: Whose Idea to Buy Russia's Aid? Pro and Con on Gen. MacArthur's Role 60
"Peace Without Surrender" From Address by Vice President Nixon .. 66
The Man—The News: Sir Anthony Eden—Top Job at Last 68
We've Been Asked: About Chinese Students Allowed to Leave U. S. 72
The More People Buy, the More They Want 77
★Crusade in Asia: Story of Communist Plot in Philippines—by Carlos P. Romulo 82
Memo From England 92
News You Can Use 95
Warning From France Interview With Premier Edgar Faure 98
Labor Week: More Scandals in Union Welfare Funds..108
Plus and Minus: Indicators of Business Activity 114
Trend of Business 117
News-Lines for Businessmen 120
Finance Week: Americans Never Had It So Good 122
Business Around the World 129
David Lawrence Editorial 148

COVER: Carlos P. Romulo, Former President of the United Nations Assembly. See page 82. (Photo from Harris & Ewing)

The Associated Press is exclusively entitled to the use for republication of the local telegraphic and cable news published herein, originated by U. S. News & World Report or obtained from The Associated Press.

HANDY WAY TO SUBSCRIBE

U. S. NEWS & WORLD REPORT
Circulation Department, 437 Parker Ave., Dayton 1, Ohio

Please enter my subscription to U. S. News & World Report for one year and send bill to me. (U. S., its possessions and Canada, $5, other countries, $6.)

Name_____

Address_____

City_____ State_____

NHW 25

THE UNITED STATES NEWS
WORLD REPORT
U. S. WEEKLY
Three Titles Reg. U. S. Pat. Off.

Published weekly at Washington, D. C., Editorial and Executive Offices, the United States News Building, 24th & N Streets, N.W., Washington 7, D. C. Subscription rates, delivered prepaid, in United States, its possessions and Canada, $5 for one year, $8 for two years, $10 for three years. Postage to other countries $1 a year additional. Entered as second-class matter at the post office Washington, D. C., under the act of March 3, 1879.

Entire contents of this publication copyrighted 1955 by United States News Publishing Corporation. Rights reserved under Pan American Copyright Convention and International Copyright Convention.

BOARD OF EDITORS

DAVID LAWRENCE, *Editor*
OWEN L. SCOTT, *Executive Editor*
BEN J. GRANT, L. NOBLE ROBINSON
Assistant Executive Editors
CARSON F. LYMAN
Managing Editor
WALTER HUSTED, *General News Editor*
DEREK FOX, *Art Editor*

ASSOCIATE EDITORS

W. B. RAGSDALE, GEORGE W. BOLTON
RICHARD L. TURNER, GLENN WILLIAMS
M. L. RAMSAY, W. C. BRYANT
JOHN H. ADAMS, GEORGE E. JONES
FRED M. HARMON, JULES B. BILLARD
ARCHIE ROBINSON, ROBERT GINSBURGH
LEONARD WILLIAMS, DONALD P. DOANE
CHARLES M. PLATT, FRED VANDERSCHMIDT
J. FRANK DIGGS, CLARKE BEACH

A. S. McLEOD, *Chief Economic Unit*
PHILIP H. BOLLINGER, CHARLES H. DAVEY
JOHN B. BLEDSOE, THOMAS H. F. HUGHES

Regional Editors: New York, GILMORE IDEN
San Francisco, EDWIN J. DRECHSEL

NEWS EDITORS

TURNER ROSE, WILLIAM H. RIEBOLD
THURBER W. CUSHING, DONALD BECKER
F. W. GAPP, JOHN P. SUTHERLAND
N. KEY HART, ALBERT J. MEYERS
FRED A. EMERY, L. DAVID LeROY
F. E. GALBRAITH, JR., CLAIR JOHNSON

Assistant News Editors: Barbara Blair Furlow, Iva Holland, Lucy Cobb Jones.

Research: Catherine Adams, Barbara Eddy, Mabel S. Groettum, Thomas E. Russell, Donald Smith.

WORLD STAFF

HOWARD FLIEGER, *Directing Editor*
JOHN R. FLEMING, *Associate Director*

CHARLES FOLTZ, JR., *European News Editor*
CLARK H. GALLOWAY, *Inter-American News Editor*
PERRY K. SELLON, *Editor, World Business*

CHARLES H. KLINE, *Associate Editor, London*

REGIONAL EDITORS ABROAD

ROBERT KLEIMAN.....Western Europe
KURT LACHMANN.....Central Europe
JOHN D. LAW.....Southern Europe
JOE FROMM.....Southeast Asia
ROBERT P. MARTIN.....Japan and the Far East

BUREAUS: LONDON, PARIS, BONN, ROME, SINGAPORE, TOKYO

ART DEPARTMENT, WASHINGTON

H. KLEBANOFF, *Director*
J. Ernest Beavin, H. C. Richardson, Walter O. Gretschel, E. H. Castens, M. J. Shimp
Staff Photographer: Thomas J. O'Halloran, Jr.

LUTHER A. DAWSON, *Librarian*

BUSINESS DEPARTMENT

24th & N Sts., N.W. Washington 7, D. C.
JOHN H. SWEET, *Publishing Director*
ANTHONY R. GOULD, *Business Manager*
HAROLD M. WELLS, *Executive Secretary*
W. L. BRAUER, *Treasurer*

ADVERTISING DEPARTMENT

30 Rockefeller Plaza, New York 20, N. Y.
Tel. Circle 6-3366
H. L. BEHLKE, *Director of Advertising*

NORMAN O. MICK, *Associate Advertising Director*
35 East Wacker Drive, Chicago 1, Ill.
Tel. Dearborn 2-4042

CIRCULATION DEPARTMENT

435 Parker Avenue, Dayton 1, Ohio
W. W. SPURGEON, *Manager*

PRODUCTION OFFICE

RALPH M. FRANCISCO, *Manager*
350 Dennison Avenue, Dayton 1, Ohio
Tel. Melrose 9231

All communications relating to news or editorial matters should be addressed to the Executive Offices, 24th & N Streets, N.W., Washington 7, D.C. Tel. District 7-2900. Communications relating to subscriptions should be addressed to Circulation Department, 435 Parker Avenue, Dayton 1, Ohio

"Arigato," said the man from The First

"ARIGATO" is the Japanese word for "thank you" and the man from The First National Bank of Chicago meant it sincerely. He had just been presented with an unusual pair of Japanese Kokeshi doll-banks by a friend — an official of one of our correspondent banks in Tokyo.

Friendships like this aren't unusual at The First, because our Foreign Banking officers have close contacts with bankers and businessmen all over the world. This particular vice-president, traveling by train, plane and ship, visited nine nations last year. He was helping maintain a close and friendly relationship with each member of our vast network of correspondent banks — a network that reaches into every corner of the globe.

As a result, this man and his associates in our Foreign Banking Department are able to study conditions and trends in other countries firsthand. They have up-to-date knowledge — through personal experience and through our correspondent banks — of general markets and of specific firms and corporations. That's why, for more than 90 years, our Foreign Banking Department has provided such expert overseas service for American business.

If you're planning to enter a foreign market or expand those you're in, get in touch with The First today. The experience of our officers and the facilities of our family of correspondents abroad are at your service. And you'll enjoy doing business with one of the country's oldest and most experienced Foreign Banking Departments — located right in the industrial heart of the nation.

FOREIGN BANKING DEPARTMENT

The First National Bank of Chicago

Building with Chicago since 1863

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Publick notice

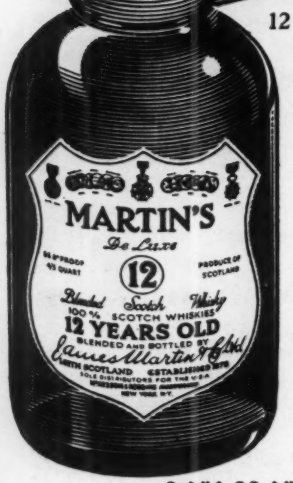
IN the conviction that you Gentlemen know how AGE enhances the nobility of Scotch Whisky and that you appreciate same, our House imports the two supreme examples of Scottish distillers' skill: 20-year-old Martin's Fine & Rare and 12-year-old Martin's De Luxe. Both to be had at fine spirit shops, taverns, private clubs and the like.

—Respectfully,
McKesson & Robbins, Inc.
New York, N. Y., importers thereof

Blended Scotch Whiskies

20 years old
86.8 proof

12 years old
86.8 proof



The March of the News

ARMY CUTBACK

DEMOCRATS WERE STORING up ammunition for a congressional battle against manpower cuts in the armed forces. When the Army Chief of Staff, Gen. Matthew B. Ridgway, appeared before a Senate subcommittee, Senator Dennis Chavez (Dem.), of New Mexico, was waiting for him.

General Ridgway had objected within the Joint Chiefs of Staff to Army-manpower cuts. Now he was prepared to skip the subject. But Senator Chavez asked this: "Point-blank, do you favor stronger forces than are allowed in this program?"

The Staff Chief protested that it would be "inappropriate" for him to repeat his objections at this late date. But, under sharp questioning, he made these points:

The Joint Chiefs of Staff neither "recommended" nor "approved" the manpower cuts ordered by the White House. General Ridgway himself wanted an Army of 1,300,000 men, instead of the 1,027,000 provided for in the budget. And the General believes that, since he first objected, the world situation has "deteriorated."

SHAKES FOR ALL HANDS

CHERRY BLOSSOM tourists got an unexpected bonanza at Washington's stately Capitol building last week. Vice President Richard M. Nixon held open house in his office, shaking hands with all comers. On Tuesday, he shook 1,000 hands, and, on Wednesday, he greeted 1,400 visitors, even shaking the paw of a blind girl's German shepherd dog.

The Vice President thinks he may make such receptions a weekly routine while the tourist season lasts. For politicians and hostesses, Mr. Nixon has this advice: "If you keep turning your head from one person to the next, you get dizzy. You can avoid it by talking. That's why I stopped the line now and then."

BANKERS BEWARE

THE BIGGEST BANK ROBBERY in history, in cash taken, occurred in New York City, just as the Federal Bureau of Investigation prepared a nation-wide drive against such crimes. Three men held up the Queens branch of the Chase-Manhattan National Bank, escaped with $305,243.17, mostly in small bills.

Bank robberies have tripled in number since 1950, and are still going up, the FBI says. During April and May, the Bureau plans 100 conferences over the country to discuss defensive methods.

In a recent message to law-enforcement officials, FBI Director J. Edgar Hoover warned of another ominous trend. Back in the 1930s, he said, criminals tended to concentrate on the institutions most susceptible to attack. "Today, in sharp contrast, every banking-type institution is a potential target."

FACTS VS. RUMORS

PUSHING RUMORS and scare stories aside, the nation's most respected scientific body announced that it will launch a full-scale investigation of radiation effects of the atom.

The job will be done by the National Academy of Sciences, an independent organization of 500 leading scientists.

Funds for the first exhaustive study of a subject that has frightened many people will come from the Rockefeller Foundation.

As a few scientists continued to issue dire warnings of "fouling the air with radioactivity," and of "disease and malformations" in future generations, Dr. Detlev W. Bronk, president of the National Academy, promised his group would make "a dispassionate and objective effort to clarify the issues."

HIT OR MISS

THE FIRST AIR-TO-AIR atomic missile was exploded, six miles above Nevada's soil. Fired from an Air Force B-36, the new weapon is described as a "baby bomb," but its flash looked brighter than the sun to observers 75 miles away.

According to official announcements, the atomic missile is capable of destroying a fleet of enemy bombers, even if it misses them by half a mile.

ARMS FOR GERMANY

GERMANY'S NEMESIS in World War II —the general who smashed the Nazi war machine—was signing a new German Army into life. President Eisenhower put his signature on the Paris treaties, which had been ratified earlier by the Senate, 76 to 2.

One of the treaties admits Germany into the North Atlantic Treaty Organization; another authorizes German rearmament. Within two to four years, Germany is expected to have these forces: an Army of 12 divisions, an Air Force of 1,300 planes and a small coastal Navy.

Which salesman

made an appointment in advance by Long Distance?

The one who's finding the customer's door is open, of course.

He pinned down his appointment by calling ahead—*Long Distance.* As a result he saved a long lobby wait. And he'll move promptly from this customer to the next.

Make it a habit, *always,* to telephone in advance for appointments. You save time. And many times an appointment call brings an *order*—saves a trip.

You can prove that this idea pays in your business. Why not try it and keep a record of the time and money you save?

BELL TELEPHONE SYSTEM

LONG DISTANCE RATES ARE LOW

Here are some examples:

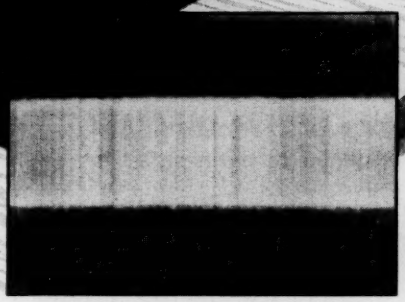
Baltimore to Philadelphia	**55¢**
Boston to Syracuse	**90¢**
Cincinnati to St. Louis	**$1.00**
Detroit to Dallas	**$1.70**
Los Angeles to New York	**$2.50**

These are the daytime Station-to-Station rates for the first three minutes. They do not include the 10% federal excise tax.

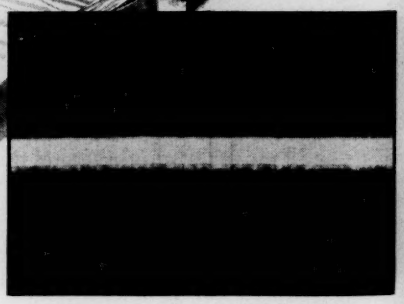
Call by Number. It's Twice as Fast.

How turning

In the physics department of the Armstrong Research and Development Center, intensity and duration of noise are measured and charted by sensitive electronic equipment. Graphs produced are similar to those shown in the diagram on facing page.



IN THIS PHOTOMICROGRAPH, light-colored band is blur caused by movement of a thin line drawn on edge of untreated vibrating metal panel. Width of this band indicates how much panel moves during vibration.



NARROW BAND in this photomicrograph shows greatly reduced vibration after asphalt-saturated felt paper is bonded to panel surface. Part of vibrational energy is turned to heat as felt flexes with the panel.

sound into heat
helps make metal products quiet

Noise can be a real problem when metal panels are used in a product. Take the sheet metal roof of your car, for instance. It would produce enough noise to make your ears ring . . . would, that is, if science had not found a way to convert noisy vibration into harmless heat.

This quieting is done most often by bonding soft, fibrous materials, such as asphalt-saturated felt paper, to the underside of the car roof.

To understand how these materials work, think first of what happens when you rapidly bend a piece of wire back and forth. It gets hot. Some of the energy you put into bending it is converted to heat as tiny particles in the metal are forced to rub against each other.

The same sort of thing takes place in a sheet of saturated felt paper bonded to a vibrating metal panel. As the felt flexes back and forth in unison with the panel, the felt fibers rub against each other. The friction developed by these rubbing fibers soaks up a large part of the panel's vibrational energy, turning it into heat. Since the vibration is deadened or damped, much less noise is produced.

Fortunately, you can suppress a lot of noise and make only a little bit of heat. It has been estimated, for instance, that the heat generated in an hour by the felt on a typical, continuously vibrating panel would not be enough to raise the temperature of a teaspoon of water 2° F. Yet the amount of sound eliminated in such a case could make the difference between an automobile ride you would enjoy and one you wouldn't.

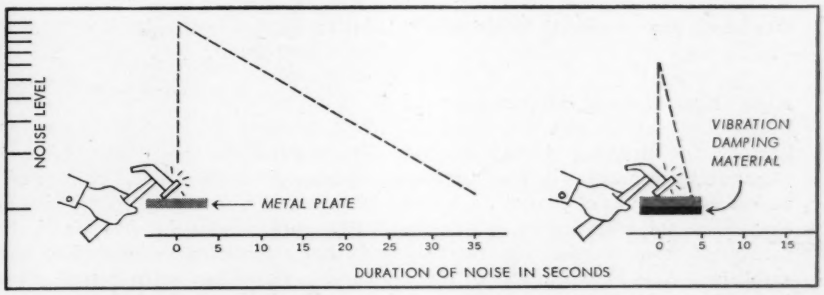
The principle of vibration damping is simple and workable. It quiets . . . and makes products seem more substantial, less "tinny." And it's adaptable to all sorts of products . . . household appliances, metal furniture and cabinets, automobiles, and many others. Of course, the specific variables involved must be properly evaluated before top efficiency can be achieved in any particular case. That's why the many years of Armstrong experience and research in vibration damping and related sound control problems can be so valuable to manufacturers. For suggestions about your vibration damping problems, write to Armstrong Cork Company, Industrial Division, 8204 Dunlap Road, Lancaster, Pennsylvania.

Armstrong INDUSTRIAL PRODUCTS

. . . USED WHEREVER PERFORMANCE COUNTS

adhesives . . . cork compositions . . . cork-and-rubber . . . felt papers . . . friction materials

TO DEMONSTRATE how flexing of felt changes vibrational energy to frictional heat, interlock fingers, then move wrists down. Tangled felt fibers rub against each other developing friction just as your fingers do.



CURVE AT LEFT shows what happens when an untreated metal panel is "shock-excited" as by a hammer blow. Noise rises to instantaneous peak, then diminishes slowly as vibration continues for relatively long period.

WITH IDENTICAL SHOCK, level of noise created by the panel after being treated with vibration damping felt is lower at peak and dies out faster (curve at right). Both amplitude and duration of vibration are reduced.

Washington Whispers®

[Items appearing on this page are reported in Washington and other news centers]

Ike Is Told Boom Will Continue . . . Several Hiss Files Still Are Unpublished . . . Marines Going to Formosa?

Important Republican Senators are preparing to insist that official records of the Cairo, Teheran and Potsdam conferences be published. They find the same groups in the State Department that dragged their heels on publishing the Yalta papers, even on a censored basis, busier than ever trying to keep other records bottled up.

★ ★ ★

President Eisenhower is rather annoyed by the growing pressure to make public all of the secret papers of all of the wartime and early post-war political conferences in which the Russians were given big concessions. Mr. Eisenhower would rather let bygones be bygones.

★ ★ ★

Secret files of the military services show that, prior to the Yalta Conference at which Stalin was paid a high price for agreeing to fight Japan, General of the Army Douglas MacArthur made no suggestion that Russian aid would be needed in that war.

★ ★ ★

Friends of General MacArthur say that an effort is being made to "frame" him by indicating that comments made after the Yalta decision to bring Russia into the Japanese war actually came before that decision was made by President Roosevelt.

★ ★ ★

Alger Hiss, former Department of State official who was convicted of perjury for denying a link to the Communist apparatus in Washington, produced two files of papers on Yalta that were not included in the documents of that conference recently published. One Hiss file out of three is in the published papers.

★ ★ ★

The Government's propaganda experts are under orders to soft-pedal the subject of U. S. soldiers held prisoner by Chinese Communists, indicating that some kind of deal involving these prisoners may be cooking.

★ ★ ★

General of the Army George C. Marshall, wartime Staff Chief of the Army, later Secretary of State and of Defense, is the one top wartime leader who plans to leave no papers for posterity and no memoirs. General Marshall has been offered as much as 1 million dollars to write memoirs of the period in which he wielded great power, but has turned down each and every such offer.

★ ★ ★

State Department officials are betting that China's Premier Chou En-lai and India's Jawaharlal Nehru will wind up as rivals at the Bandung conference on Asia and Africa. The hope in Washington is that the conference will produce a definite breach between the Asiatic Communists and the "neutrals" in that area.

★ ★ ★

U. S. Marines may be moved to Formosa as part of any deal that would open the way for Communists to take over the island groups of Quemoy and Matsu. Marines on Formosa would be expected to serve as a symbol of U. S. determination not to let Communists have that island.

★ ★ ★

Sir Anthony Eden, Britain's new Prime Minister, is inclined not to be impressed by the mental caliber of a number of important American officials with whom he has dealt. Sir Anthony tends to be impatient with those who differ with British views on resolving diplomatic issues.

★ ★ ★

A poll of German youth, when German rearmament is near, shows that there is slightly more opposition to military service today than two years ago. Only 27 per cent indicate a desire to serve, while 34 per cent are opposed to military service.

★ ★ ★

President Eisenhower is being assured that business will be good all through the remaining months of his first term in office. Tax cuts in 1956 are being considered to offset any tendency for business to slow in that election year.

★ ★ ★

Walter F. George, Georgia's senior Senator and chairman of the powerful Senate Foreign Relations Committee, may face a battle with young Herman Talmadge in the 1956 Democratic primary. Talmadge, who has demonstrated vote-getting ability, is indicating that he is out for the job that Senator George now holds.

★ ★ ★

Sam Rayburn, House Speaker, finds that some Senate Democrats are not entirely happy that he is to be honored at Jefferson Day dinners this year. Some other Democrats feel that the honor might have gone to them. Within the party, loyalties are tending to divide at least five ways, ranging from Eisenhower Democrats to Averell Harriman Democrats.

★ ★ ★

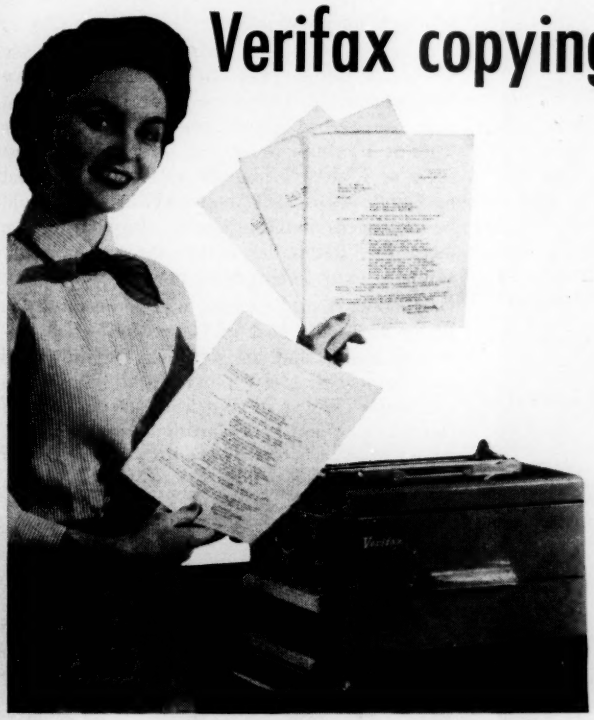
Allan Sproul, president of the New York Federal Reserve Bank, is hinting that the Federal Reserve System intends to keep a tighter rein on credit supply in months ahead by reducing the volume of excess reserves in the commercial-banking system.

★ ★ ★

Albert M. Cole, Housing and Home Finance Administrator, finds himself caught in the middle between mortgage bankers and home builders who have different ideas on housing policy.

How you will save . . .

How your secretary will save . . . with Verifax copying



☐ **You'll seldom have to dictate** another letter which, for the most part, quotes one you have received. A brief note plus a Verifax copy of the original letter is all that's needed.

☐ **You'll be able** to jot your answers on many letters . . . send Verifax copies back; customers will welcome the speedy reply . . . won't have to look in the file for carbons of their letters.

☐ **Ends slow "one-copy" routing.** Everyone gets Verifax copies of incoming reports, news clippings, etc., at once; can give you comments, pronto.

☐ **Helps lots at meetings.** Next time someone says, "You probably can't see this at the other end of the table" or "I'll pass this around"—buzz your secretary. In a minute or two, you'll have enough Verifax copies so that everyone can see—and think—at once.

☐ **Ends inconveniences**—like waiting for extra carbons to be typed . . . or for your "only copy" to be returned.

☐ **Protects your records**—you won't have to send them out of the office to be copied; no one else need see them.

☐ **Your secretary** can save a half-hour or more of retyping in copying just one report. *She can make 3 Verifax copies in 1 minute for less than 4¢ each.* No fuss. No change in room lighting.

☐ **She won't have to proofread** with a second girl.

☐ **Her work will be error-free.** Verifax copies are photo-accurate, are authentic from letterhead to signature.

☐ **She'll double your saving** on dictation—won't have to take notes and then transcribe.

☐ **She'll do many jobs** which are now beyond her scope—even whisk out copies of your best golf score or a news item about your company that you can show at lunch.

In short, the savings for both of you will probably exceed the $240 cost of a Kodak Verifax Copier in less than a month. And we haven't even considered the other office personnel who'll get comparable savings.

By all means, take a few minutes soon to see a free demonstration of Verifax copying in your office. Learn the important ways in which thousands of other companies are saving now.

KODAK VERIFAX COPIER *only* $240

— MAIL COUPON FOR FREE FOLDER —

EASTMAN KODAK COMPANY, Business Photo Methods Division, Rochester 4, N. Y.

Gentlemen: Please send more information about Verifax copying and names of near-by Verifax dealers. 2

Name_____ Position_____

Company_____ Street_____

City_____ State_____

Kodak

Tiny man-made diamond cluster is mounted on a needle. At left is a scientist's thumb

Here's how General Electric developed man-made diamonds

It took seven scientists four years and thousands of tries to produce small stones identical with those of nature

Early this year, General Electric displayed diamonds made in our Research Laboratory. They are tiny stones—the biggest only 1/16th of an inch long. But they are real diamonds, exactly like stones dug from the earth.

This discovery of General Electric research is the kind of basic knowledge that creates new products and new jobs.

Seven scientists and their technical assistants worked for four years in the promising new field of combined high-temperature, high-pressure research. A unique pressure chamber for a giant 1000-ton press was built, where pressures of 1,500,000 pounds per square inch and temperatures of 5,000 degrees Fahrenheit could be achieved simultaneously—duplicating the "squeeze" 240 miles inside the earth. Thousands of experiments were made.

More work and expense will be necessary to bring down the cost of General Electric diamonds before they are practical for industrial use. But learning how to make real diamonds is a landmark in our 76-year-long search for ways to make new and better products for everyone. As we see it, it is a good example of progress in the American way.

At the G-E "diamond mine," a 1000-ton press, are Dr. A. L. Marshall, manager of Chemistry Research, and A. J. Nerad, who supervised the project. Write for the story of the development, "Man-Made Diamonds," General Electric Company, Dept. D2-117, Schenectady, N. Y.

Progress Is Our Most Important Product

GENERAL ELECTRIC

FROM THE NATION'S CAPITAL

Tomorrow®

A LOOK AHEAD

Newsgram®

24th and N Streets, N.W.
Washington, D. C.

This is the way the White House sizes up the outlook:

Business, very good now, will be even better in late 1955 months.

Business prospect for 1956 is favorable. Income trends are upward. Confidence is widespread among people generally, particularly among businessmen.

Buying of goods, as a result, is at a high and rising level. Stocks of goods are not burdensome. Investment, too, is high and rising. Industry is tending to increase its rate of investment in plant and equipment. People are investing heavily in new residences, in new cars, in household equipment.

Excessive speculation that might signal danger is absent.

Mortgage-credit rise, however, is causing some official concern.

Mortgage debt, based upon no down payment, 30 years to pay, is beginning to be viewed with disfavor. Some tightening may be tried.

Installment borrowing, on the rise, is not yet regarded as overdone.

Mortgage credit and installment credit, however, are being watched as spots where the seeds of some future trouble may be sowed.

Optimism over the longer-range outlook is based upon these things:

Money can be kept in adequate supply at rather low rates of interest.

Building of residences, even if mortgage terms are tightened, will hold at a level above 1 million units a year. Industry's plans for building call for heavy investment over an extended period ahead.

Spending by Government, even if cut somewhat, still will be high.

Tax cuts probably will precede spending cuts by Government, giving a cushion against deflation. Tax cuts seem probable for 1956.

Stability will be the objective of Government policy.

Price declines from present levels, generally, are not desired.

Price rises, if widespread, will be viewed with disfavor.

Price trends, over the long run, are regarded as more likely to be on the side of rise than on the side of decline. Deflation will be opposed by Government policy. Stability will be sought. Inflation, of a very gradual, moderate kind, is more probable than deflation in the search for stability.

Debt reduction will not be favored by Government planners.

A cut in federal debt, not fully offset by a rise in private debt, would be regarded as deflationary and would be opposed.

Cuts in the Government debt will be favored only in a period when the level of private debt may be rising rapidly, threatening inflation.

 (No part of this or any other page may be reproduced without written permission)

Growing debt, public or private, is to be treated as a corollary of a growing country. It's the other side of investment.

Official attitude toward debt is sharply different than in times past.

Debt burden of individuals, by past standards, is getting high.

Payment on mortgage and installment debt now requires about 20 per cent--20 cents out of each dollar--of personal income after taxes.

Debt service in 1950 took 14 cents out of each dollar of income left after taxes were paid. In 1946, debt service took only 10 cents.

People, in other words, are tying up an important part of income to pay, over a long period ahead, for goods purchased in the present. Easier and easier terms for mortgage and installment loans tend to tie up a larger and larger part of the income of individuals for longer and longer periods.

That is a situation due to get more attention in the future.

Finances of the Government itself are in better-than-expected shape.

Income is running higher than forecast officially, outgo no higher. Resulting prospect for year to end June 30: Income: 60.9 billion dollars. Outgo: 63.5 billion. Deficit: 2.6 billion, against 4.5 billion forecast.

That's the bookkeeping budget. In terms of cash taken in and paid out, the Government's finances are in virtual balance.

For the year to begin next July 1: Bookkeeping budget will be close to a balance. Cash budget will show a surplus of more than 2 billions.

Federal Government, in other words, no longer is priming the pump.

Business rise is being sparked and sustained by private enterprise.

War around Formosa seems very unlikely despite the alarms.

War atmosphere is wholly absent in Washington. Tensions that always accompany war threats are not to be found in the sensitive centers.

Atmosphere is more that of calm, of assurance there'll not be war.

What seems to be in the wind is something like this:

U.S. will put American forces on Formosa as a gesture of intent.

Communist Chinese will avoid all-out attack against Quemoy and Matsu groups of islands; will probably make a stab at the smallest, least defended of 11 islands making up these groups. U.S., pledged to act only if attack threatens Formosa, will hold back because only one little island is involved.

Nibbling process, once started, then will go on.

Odds seem quite strong that Communists, in one way or another, will be allowed to get the Quemoy and Matsu island groups without involving U.S.

Formosa itself is much less likely to go to Communists without a fight.

War to start April 15? Those reports came from a dinner for Navy's Admiral Carney. Idea seems to be that Communist Chinese now have capability of making an attack if they intend to attack, not that they will.

You get that whole story starting on page 22.

Timetable for next Communist move now is set ahead to May or June. It's all a guessing game. Actually, an undercover deal may be cooking.

Eisenhower very much wants a cease-fire in that area. Communists, now talking tough in public, may bargain if they get paid enough.

 (No part of this or any other page may be reproduced without written permission)

He saw Madame and this he asked her
"How can I get my shipments faster?"

He took her advice, what it was you can guess
Now orders come swiftly by RAILWAY EXPRESS

The big difference is

Railway Express makes the big difference in speed, economy, and safe, sure delivery. Whether you're sending or receiving, whether your shipment is big or small, and whether it's moving by rail or air, it will pay you to specify shipment by Railway Express. It's the complete shipping service in the American tradition of private enterprise.

RAILWAY EXPRESS AGENCY

...safe, swift, sure

PEOPLE ★ ★ ★

OF THE WEEK

› JOHN L. McCLELLAN, an Arkansas Democrat who heads the Senate Government Operations Committee, is making plain that he intends to search closely to see if there is waste and inefficiency in the Government. His tangle with Harold E. Stassen, foreign-aid administrator, over the way the U. S. tried to let a contract for a grain elevator in Pakistan is the first example of what is intended as a continuing program.

The Arkansas Senator is an old hand at investigating, was digging in as a member of a committee to investigate spending by executive departments soon after he came to the Senate in 1943. Service on the Commission for Organization of Executive Departments—the Hoover Commission—has given him insight into the way Government works.

What Senator McClellan turns up can have strong political effects. If he digs up a scandal, Republicans will hear about it in the 1956 campaign.

› BRITAIN'S "MR. ATOM" watched from the Nevada desert while the U. S. tested its first air-to-air atomic missile, a projectile meant to destroy entire fleets of bombers. The Briton, **Sir William G. Penney,** probably could tell at once whether the weapon will have its desired effect; he is an expert on blast effects.

Sir William helped construct the wartime atom bomb, saw its first test, was the only non-American scientist to see an atom bomb dropped on Japan. He remained in the U. S. after the war, participated in tests at Bikini in 1946, then went home to plan and build Britain's atomic-weapon program. The British credit him with finding economical short cuts in bomb manufacture.

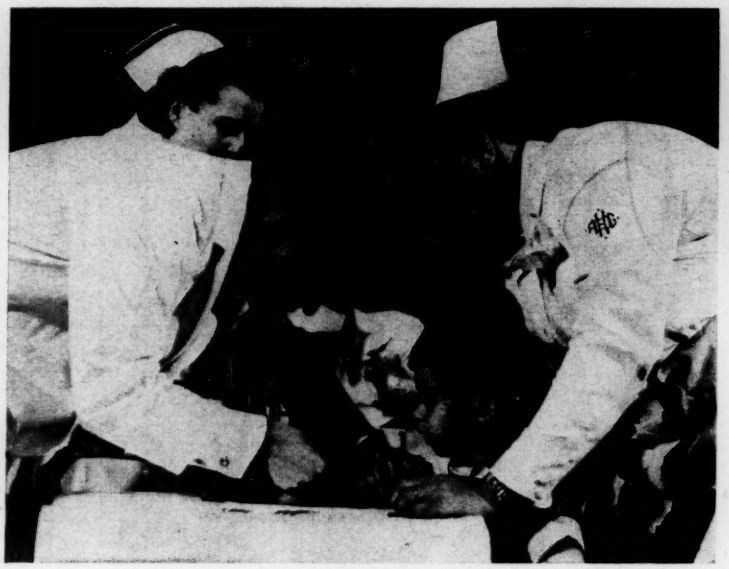
The British scientist was invited to the U. S. to see the air-to-air weapon's test, then was asked to confer with scientists and officials in the Atomic Energy Commission and the Defense Department.

› HAROLD MACMILLAN, successor to Sir Anthony Eden as Britain's Foreign Secretary, is a man already well known to President Eisenhower. During the campaign in North Africa, when General Eisenhower commanded U. S. invasion forces, Mr. Macmillan was British Resident General, gave helpful advice about tangled French politics.

The Macmillan name also is known in the U. S. as that of an international book-publishing concern, owned by the Foreign Secretary and his family.

(Continued on page 16)

POLIO VACCINE: PEOPLE WHO FOUND IT



DR. SALK INOCULATES A CHILD

› DR. JONAS E. SALK, a youthful medical scientist, is becoming a famous man. The "Salk vaccine" against poliomyelitis bears his name because he pulled together previous research, discovered how to make the vaccine.

A team of Harvard University doctors—John F. Enders, Thomas H. Weller, Frederick C. Robbins—found a suitable way to grow polio viruses for vaccine, won a Nobel Prize for the discovery. Dr. Dorothy Horstmann, of Yale, and Dr. David Bodian, of Johns Hopkins, found that polio virus circulates in the blood, where a vaccine can work.

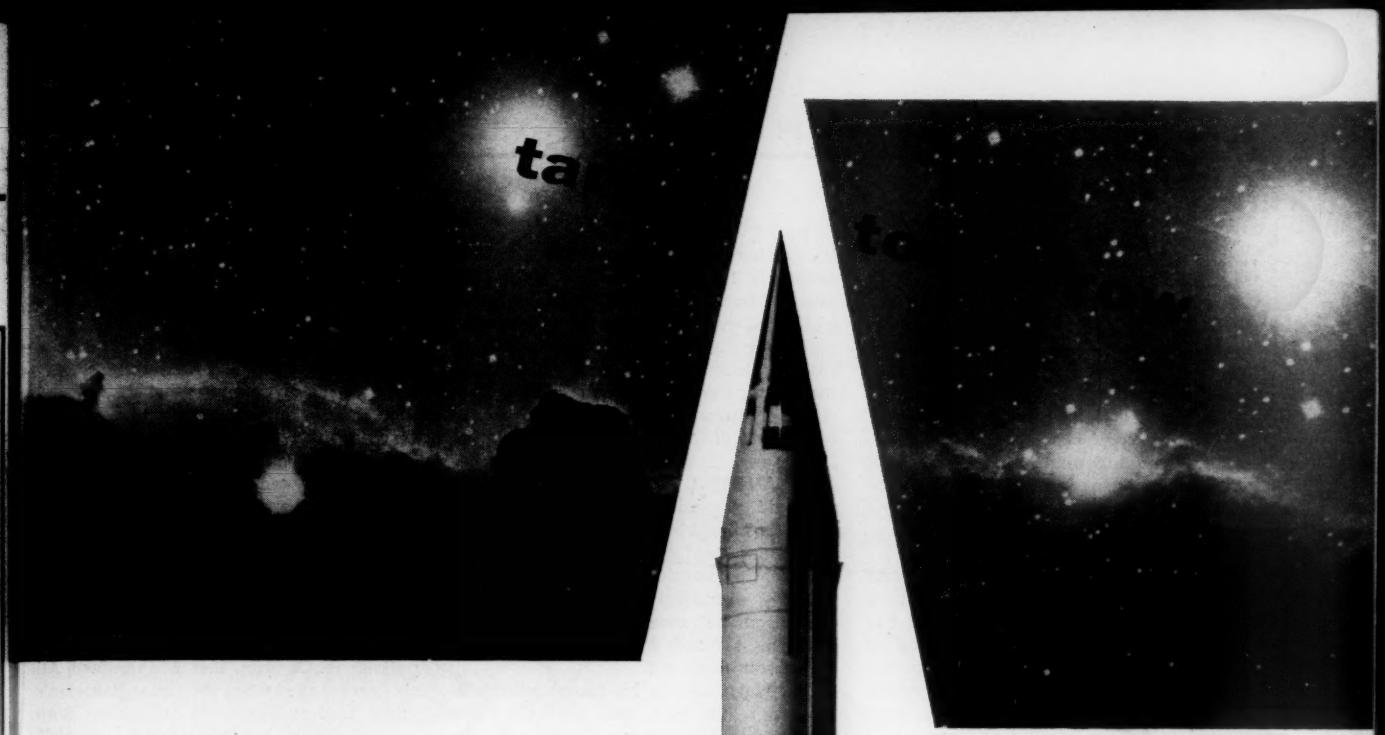
Dr. Salk and associates at the University of Pittsburgh discovered the way to mass-produce the virus, kill it chemically, filter out a safe, red-colored liquid that would protect against polio.

Commercial production of vaccine is beginning nine years after Dr. Enders's research began, 17 years after establishment of the National Foundation for Infantile Paralysis. The Foundation has spent 22.4 millions—contributed by the public in the March of Dimes—to finance research. The Foundation owns the process, is turning it over to drug firms for a nominal sum, says the Foundation won't make money off the vaccine.

Dr. Salk is working on a new problem—a vaccine for influenza.

—Nat'l Foundation for Infantile Paralysis, United Press

SALK VACCINE IS STOCKPILED



Shown here is a giant step
toward tomorrow.

Conceived and developed
by a team of Martin people
who have been working with
Navy scientists since 1946,
Viking 12 is the latest of a series of
high-altitude research vehicles.

It was designed to explore the
problems of controlled flight
in the near-vacuum conditions
of the outer atmosphere and
at speeds in excess of 4,000 m.p.h.

In this long-range Viking program,
technical problems are
continuously being solved
which support advancements that
are now being made toward the next
frontier of flight—rockets having
intercontinental ranges.

And beyond that lies space itself!

MARTIN

BALTIMORE · MARYLAND

CONTINUED

The feeling in London is that Mr. Macmillan may get along better with Secretary of State John Foster Dulles than Sir Anthony did—that the change may improve U. S.-British relations. There was a coolness between Mr. Dulles and Sir Anthony.

The new Foreign Secretary is regarded as a man of keen intellect. He calls himself "a Churchill man," parted company with appeasement-minded Conservatives in 1936, two years before Sir Anthony's much-publicized resignation.

➤ **MAYOR-ELECT** of Chicago, to hold office during the next four years, is a home-grown Chicago politician who has come up from the wards by spending 30 of his 52 years in faithful service to the Democratic organization. The newly chosen mayor, **Richard J. Daley,** also is a close political friend of former Illinois Governor Adlai Stevenson—and he has a stout political organization to put behind a Stevenson bid for the Presidency. Thus, Mr. Daley becomes a figure in 1956 politics.

Ever since he got out of law school, Mr. Daley has been in Chicago politics. He got a job as secretary to the Cook County treasurer, went to the State Legislature in 1936, became Democratic floor leader there, moved to the Illinois State Senate in 1939. In 1948, Mr. Daley was plucked from a job as deputy controller in Cook County by Governor Stevenson, was made State revenue director. He was county clerk for four years before the mayoralty election, took over the Democratic organization when ill health forced retirement of Jacob M. Arvey.

➤ **W. AVERELL HARRIMAN,** occupying strategic ground as Governor of New York, is thought by many politicians to be running hard for the 1956 Democratic presidential nomination. Mr. Harriman publicly promises support to Adlai E. Stevenson, but meanwhile appears to be gathering strength for his own bid if Mr. Stevenson steps out.

Mr. Harriman, in his fourth month as Governor, has been busy with the State budget and legislative problems. Nevertheless, he is attracting attention with pronouncements upon national policy. In the last month, Mr. Harriman has twice criticized the Eisenhower Administration's policies toward Formosa, and he accuses the Administration of a "retreat from leadership."

Mr. Harriman's speeches provide clues to politicians who wonder about his intentions. They think that presidential ambitions inspire his remarks upon national affairs, that he is campaigning for the Presidency.

➤ **PAKISTAN'S PREMIER** has taken a second wife—and has stirred up more criticism in his own country, where law and the Moslem religion permit him to have as many as four wives, than in Western Christian nations, where law limits marriage to one woman at a time. Strongest critics of Premier Mohammed Ali are feminist groups who oppose plural marriages.

The Premier's first wife, Hamida, is 40, six years younger than her husband, mother of his two sons. The new wife, Aliya Saadi, is 30, was born of immigrant parents in Canada, met Mohammed Ali six years ago when he was Pakistan's High Commissioner in Canada. Both women lived in Washington in 1952 when Mohammed Ali was Ambassador to the U. S.; Aliya Saadi was his social secretary. Both also were with him on his U. S. tour last autumn.

Pakistani officials are undisturbed by the Premier's critics, showed their attitude by tendering an official Cabinet welcome, followed by a formal dinner, when the newlyweds arrived at the Karachi airport.

➤ **PRESIDENT EISENHOWER** received an annual visitor—a caller named Clark Griffith, principal sachem of the Washington Nationals.

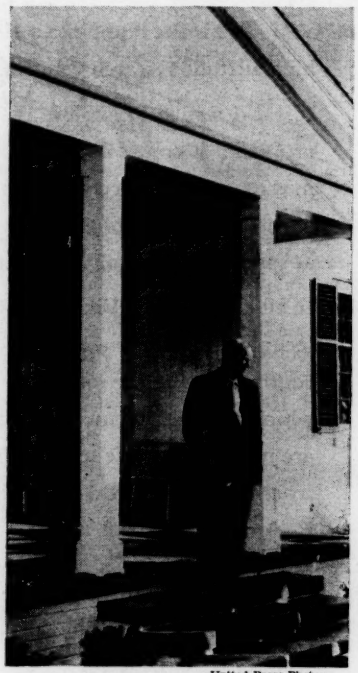
Mr. Griffith makes a ritual of going to the White House each April to present to the President a golden

season pass to Washington baseball games. He brings an alligator bag for the First Lady, containing a pass for her, too, and invites the President to open the baseball season by throwing out the first ball.

The ball throwing began 43 years ago with President William Howard Taft, and now is a national institution that a President seldom ignores. Two years ago Mr. Eisenhower preferred to play golf on opening day. Because the first game was rained out, the President got a chance to make amends.

During Mr. Eisenhower's tenure in the White House, the visit by Mr. Griffith also is becoming a signal for the President's spring vacation. The first baseball game and the Masters Golf Tournament at Augusta, Ga., come at about the same time. The President throws out the first ball, then takes off for Augusta for a week of golfing and resting at the "Little White House," nicknamed "Mamie's Cottage" (right) on the fringes of the Augusta National Golf Course.

That is what the President is doing this year, as he did last year. He will play the Augusta course in the wake of the big names of golf, with some of them for partners, and, in the process, he will get a chance to see how his game compares with theirs.



—United Press Photos

the Queen shops for cleaning aids... for washing and for mopping...

the King goes on a fishing trip... lets her do the shopping.

Today's busy Queen depends upon many types of cleaning aids to lighten her household jobs.

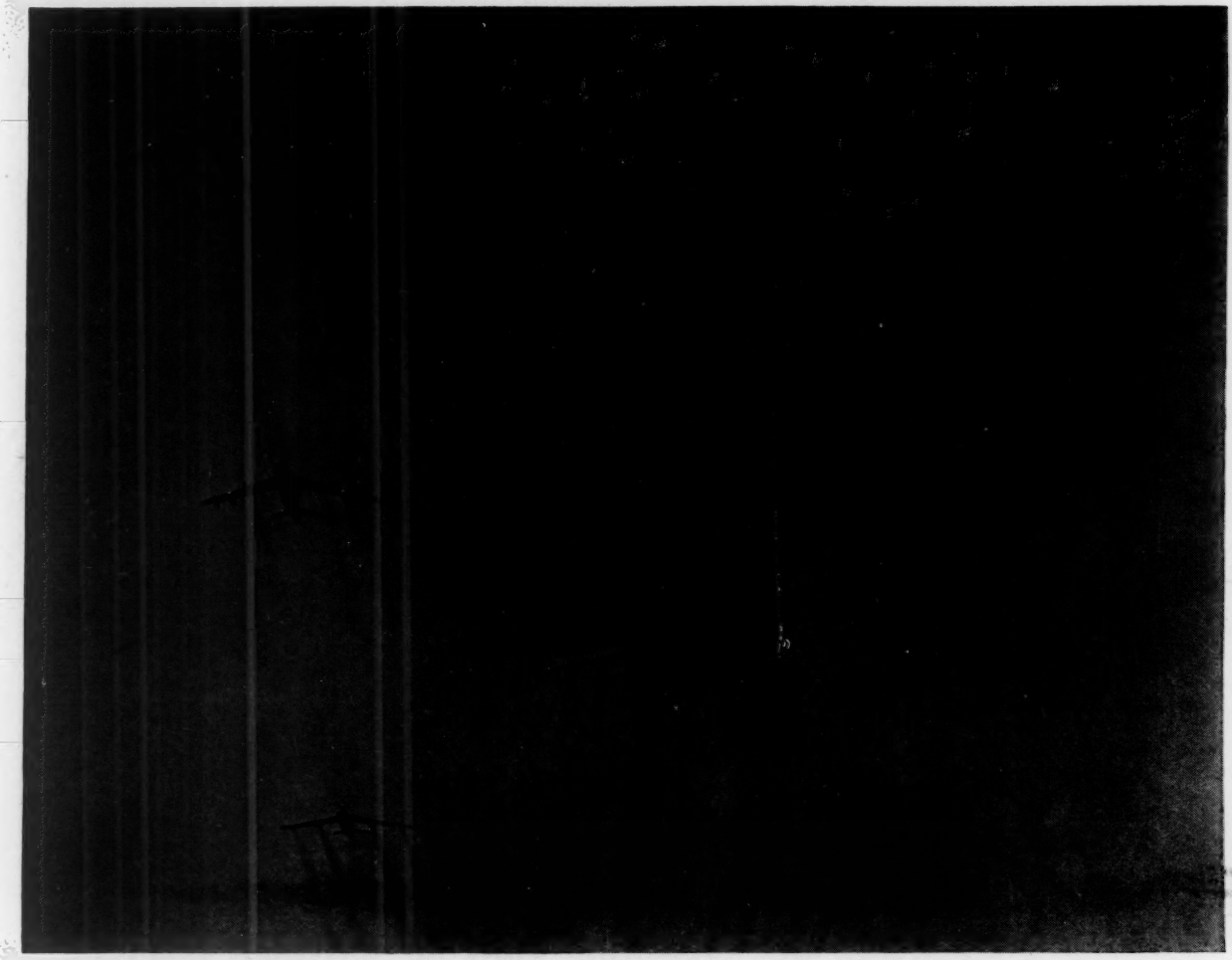
She is familiar with the specific advantages of many a soap, cleanser, polish, detergent. Eager to learn of new brands—of improvements in familiar ones.

The COMPANION-reading Queen offers an especially fruitful market for this type of product. With her *larger-than-average* family she not only welcomes all the help she can get—but has *more* clothes to wash, *more* dishes to do, floors that need *more frequent* scrubbing.

If you have a cleaning aid to sell—or any product she would use in her "castle"—tell the Queen your story in the Woman's Home COMPANION. It's the magazine she trusts—looks to for help and guidance.

the Companion caters to the Queen in her Castle!

The Crowell-Collier Publishing Company, 640 Fifth Avenue, New York 19, N.Y.
—Publishers of Woman's Home Companion, Collier's, The American Magazine



The world's fastest operational bombers

These Boeing B-47 Stratojets were photographed during a nonstop flight from an overseas assignment to their base in the U. S. Such flights, refueled by Boeing KC-97 aerial tankers, typify the global mobility of the Strategic Air Command.

The B-47 is America's front-line, high-altitude nuclear weapons carrier, and the standard medium jet bomber of the U. S. Air Force.

A product of advanced Boeing engineering, the Stratojet has, since its earliest days, set new performance records for jet-age bombers. The latest was a nonstop flight, with aerial refueling, of 47 hours, 35 minutes. During this flight the B-47 covered 21,000 miles, the equivalent of four-fifths the distance around the world.

Since the first production model rolled out in March, 1950, more than 1,000 Stratojets have been produced by Boeing's Wichita Division alone. Output has been as high as one per working day. Experienced manpower, extensive facilities and advanced management techniques enable Boeing to produce the B-47 with fewer man-hours per pound of airframe than were required for the earlier, much less complex B-29 of World War II.

While manufacturing fleets of B-47s, Boeing at the same time developed two other revolutionary airplanes, the great B-52 global jet, now in production in Seattle, and America's first jet transport prototype, the Boeing 707. The Air Force recently announced its decision to standardize on the tanker version of this aircraft—the KC-135—with the placing of substantial orders.

Young men: You'll acquire "know how" as an airman in the United States Air Force. Opportunities for top technical schooling, world travel and a responsible position on the nation's defense team.

BOEING

VOLUME XXXVIII—No. 15 U.S. News & World Report WASHINGTON, D. C.

POLIO— NO MORE WORRY?

Vaccine for Half of Children This Year, Maybe All Next Year

Millions of American youngsters are to get some protection from polio this year. That's promised by the Salk vaccine.

Nine million school children, in the most vulnerable age group, will be treated free. There will be enough vaccine to treat millions more, at their own cost.

Doctors caution that the coming vaccination drive will not free the country of polio. No vaccine is 100 per cent effective.

But, once the program hits its stride, many parents are to be spared their annual summer dread. The scourge of poliomyelitis may be coming under control at last.

You get in what follows, the answers to many questions about the vaccination against polio that is about to be carried out on a nation-wide basis.

Answers are from medical authorities who have had part in developing the vaccine and in searching for a counter to the threat of infantile paralysis.

Can a person now stop worrying about polio, either for himself or for his children?

No, not quite. It is too early to say that polio has gone the way of smallpox and typhoid in this country. Experience with the new anti-polio vaccine is too limited. Also, not everybody is going to be able to have polio vaccination this year because there is not enough vaccine available.

Is the need for worry reduced?

Definitely, it is. In weeks just ahead, before the big polio season begins, plans are to vaccinate 9 million children, free of charge, with a vaccine developed by Dr. Jonas E. Salk. The Salk vaccine also is to be available for at least 19 million other children if their parents are willing to pay the cost.

This means that as many as 28 million children may get protection against polio this year. For their families, polio worry is going to be vastly eased. That still leaves about 29 million youngsters, counting youths up to 20 years of age, who will not get protection during the 1955 polio season because of lack of vaccine.

Will vaccination bring 100 per cent protection?

No vaccine, not even that against smallpox, is 100 per cent effective.

SALK VACCINE IS PROCESSED
It must meet exacting standards of safety and purity

How will the vaccine be divided among children?

Each State and community will get its share, according to its population.

A key fact is that every child in the first and second grades in every school in the U. S.—public, private and parochial—will be offered free polio vaccination by the National Foundation for Infantile Paralysis.

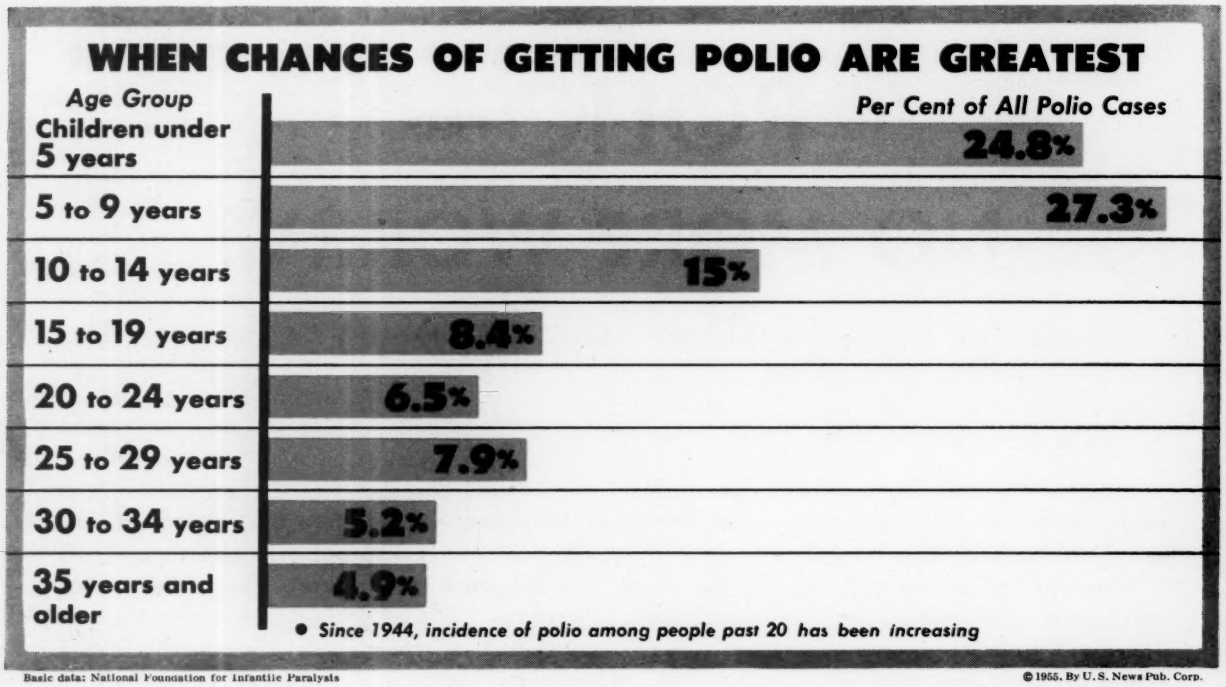
This means that virtually every 6 and 7-year-old child in the country will have a chance to get polio protection, regardless of family income. These are the children most susceptible to polio and most in need of protection.

Free vaccinations also will be offered to all children in the third and fourth grades in schools where vaccine tests were carried out in 1954.

Parents will have to give signed approval before any child is vaccinated. Many schools in recent days have sent out forms asking for parents' consent in advance of formal announcement on results of the 1954 tests.

Who can get the polio vaccinations from their family doctors?

The 19 million vaccination doses to be available through regular medical channels, between now and June 30, will be administered



Basic data: National Foundation for Infantile Paralysis

© 1955, By U. S. News Pub. Corp.

by private physicians on a limited first-come, first-served basis. Local medical societies are organizing rationing plans that give first priority to children under 14 years of age and to expectant mothers.

Will doctors have waiting lists?

Some doctors are setting up waiting lists. Practices will vary, depending upon the plans of local medical societies.

Is there danger that Salk vaccine may cause polio? What about the scare last year over sample tests?

A scare did occur last year and doctors in some areas blocked the vaccine tests. But those responsible for authorizing use of the new vaccine say there never has been a case reported of polio resulting from injections of the Salk formula. They describe the dangers as no greater than are present in the use of any other vaccine.

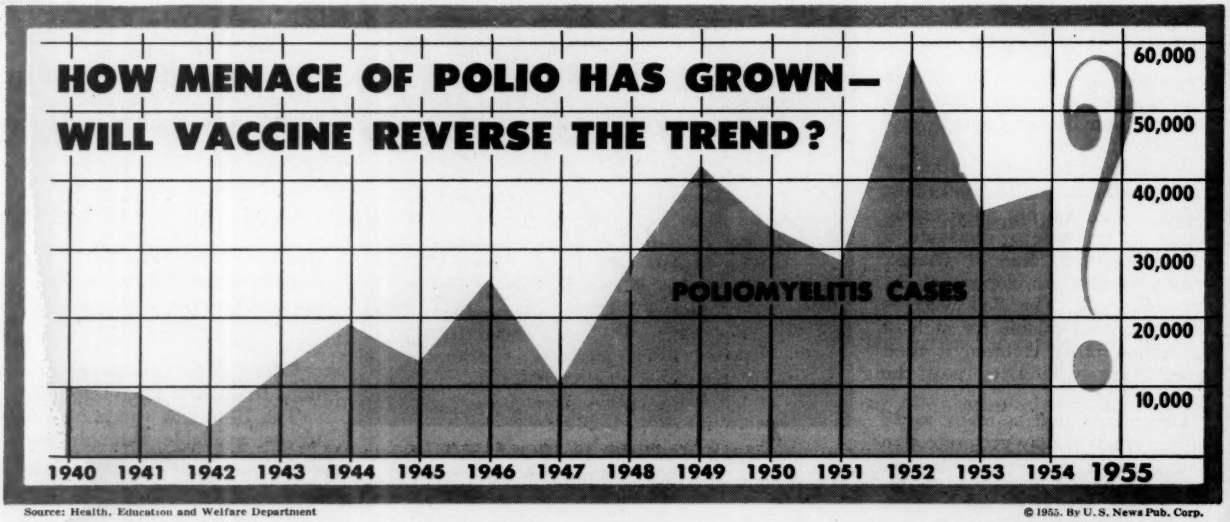
In times past, many people objected to smallpox vaccination and, later, to typhoid vaccination when it was developed. But that resistance is pretty well ended. Vaccination has tamed many other diseases that formerly were killers, including diphtheria, cholera and tetanus.

Before the Salk vaccine is used in 1955, it will have been licensed by the Biologics Control Laboratory of the U. S. Public Health Service. This agency sets up exacting standards for purity and safety on biological medicines. When the Salk vaccine gets its formal license, it will be as safe as any vaccine now used.

Dr. Salk has inoculated 10,000 children in the Pittsburgh area with his vaccine in the last two and a half years. Not one of these inoculated children has developed paralytic polio.

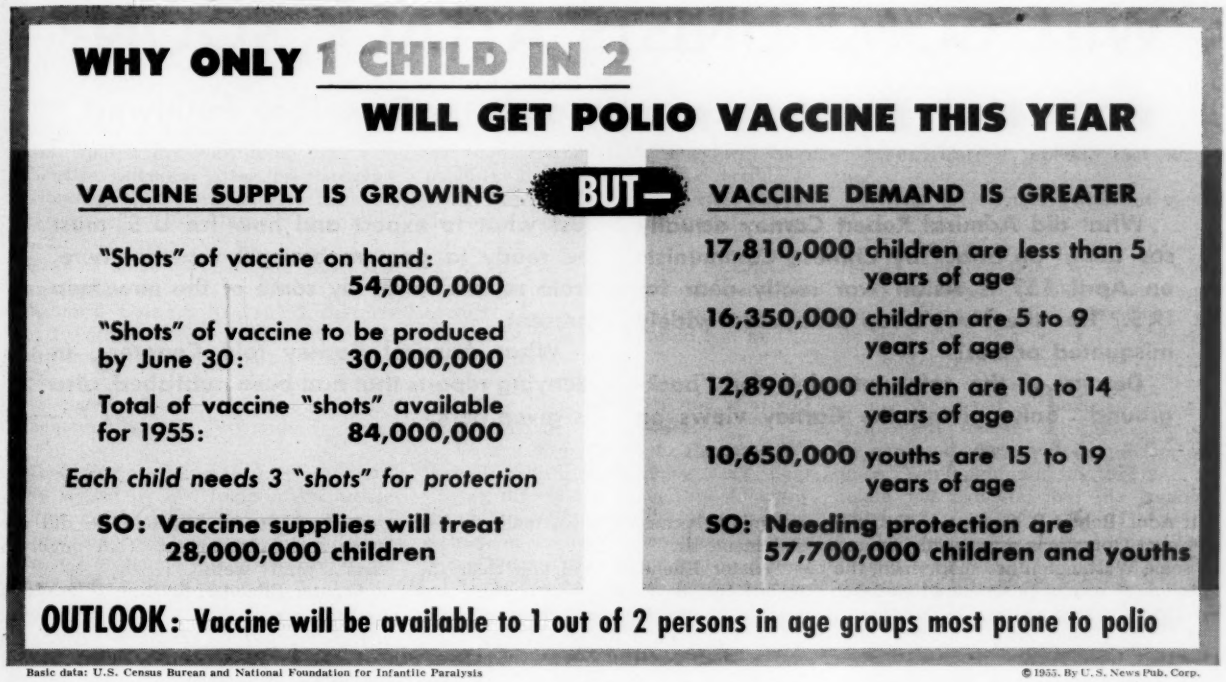
How soon can vaccinations start?

As soon as formal licensing of the vaccine is completed. Drug manufacturers



Source: Health, Education and Welfare Department

© 1955, By U. S. News Pub. Corp.


WHY ONLY 1 CHILD IN 2
WILL GET POLIO VACCINE THIS YEAR
VACCINE SUPPLY IS GROWING
BUT—
VACCINE DEMAND IS GREATER
"Shots" of vaccine on hand: 54,000,000
"Shots" of vaccine to be produced by June 30: 30,000,000
Total of vaccine "shots" available for 1955: 84,000,000
Each child needs 3 "shots" for protection
SO: Vaccine supplies will treat 28,000,000 children
17,810,000 children are less than 5 years of age
16,350,000 children are 5 to 9 years of age
12,890,000 children are 10 to 14 years of age
10,650,000 youths are 15 to 19 years of age
SO: Needing protection are 57,700,000 children and youths
OUTLOOK: Vaccine will be available to 1 out of 2 persons in age groups most prone to polio
Basic data: U.S. Census Bureau and National Foundation for Infantile Paralysis
© 1955, By U. S. News Pub. Corp.

already have started moving the vaccine to communities. The free-vaccine program in schools is slated to begin in most areas by late April.

Vaccinations by doctors in their private offices and clinics also will begin soon, probably by the first of May in many places.

How much will vaccinations cost?

It's expected that most people will pay around $15 to $20 for the complete vaccination course, which includes several injections administered over a five-week period. Charges may vary in individual cases and from one region to another, in line with physicians' charges for similar types of vaccinations against other diseases.

Will any adults be vaccinated against polio this year?

As a rule, probably not. Chances are that available supplies of vaccine will be used, under the priority system, almost exclusively for children. But the exact distribution of vaccine cannot be predicted in advance, since it depends upon public demand. It's conceivable that, in some areas, vaccine might be available for nearly anyone whose physician recommends it.

Is polio likely to hit adults as well as children?

Few cases of paralytic polio occur among people who are past 35 years of age. Nearly everybody has mild polio at some time, usually as a child, and thus acquires immunity to the disease. But paralytic polio does strike adults. Franklin D. Roosevelt, for example, was 39 when stricken.

More than three fourths of all polio cases occur in persons less than 20 years of age. Even among children, the incidence of paralytic polio is not high.

In 1954, out of 17.8 million children less than 5 years of age, 9,600 got polio severe enough to require hospitalization —about 1 out of every 1,850. Out of 16.4 million children 5 to 9 years old, 10,600 got polio—about 1 out of every 1,550 in that age group. Out of 12.9 million children 10 to 14 years of age, 5,800 got polio—1 out of 2,220. But dread of paralysis is so great that polio remains one of the most feared of all afflictions.

Can the new vaccine stop polio once it is started? Can vaccine prevent paralysis, or lessen its severity?

Most medical authorities believe the answer is no. The vaccine does not begin to work until it has been in the blood stream about seven days. By the time a person is showing polio symptoms, he already has had the polio virus for a number of days. It is too late then for vaccine to slow down, stop, or alter the course of the disease, according to prevailing opinion. The vaccine will be of no help, either, to persons who are recuperating from polio. It is strictly a preventive, such as other vaccines.

What is the vaccine like? Does it give one a mild case of polio?

No. It is a reddish liquid, injected usually into the upper arm. It contains the three types of polio virus, treated with a formaldehyde solution to make them harmless. To manufacture the vaccine, the three types of polio virus are grown in small bits of monkey kidney tissue, then killed with the formaldehyde solution.

Upon injection into the blood stream, the vaccine stimulates a person's body into producing substances called antibodies. These antibodies render live poliomyelitis virus harmless if they later invade the blood stream. The antibodies produced as a result of the vaccine are akin to those produced in the course of a mild case of polio occurring naturally. But the vaccine does not "give" a person polio.

Does the effect of the vaccine last a lifetime?

Only time can tell. Tests will be made to watch that aspect of the vaccine's action. "Booster" shots may be necessary.

Does the vaccine cause reactions, such as rashes or nausea?

No bad "side effects" have shown up on a significant scale.

Will better vaccines be developed?

That is possible. But the Salk vaccine represents a real step forward.

Is the fight with polio over?

Not at all. More than 70,000 people, including many children, are crippled and will need care for years to come. An effective polio vaccine apparently has been developed, but it will be many years before this disease becomes as rare as smallpox and other scourges that have been controlled by vaccination.

WILL COMMUNISTS ATTACK SOON?

An Admiral's Disputed Remarks, and the Fuss That Followed

What did Admiral Robert Carney actually say about an attack by Chinese Communists on April 15? Is Asian war really near for U. S.? Has the Navy's top man been widely misquoted or not?

Details of the talk, intended for "background" only, giving the Carney views on just what to expect and how far U. S. must be ready to go, are brought together here, from reports made by some of the newsmen present.

What Admiral Carney told Congress, in denying reports that had been published, also is given here.

If Adm. Robert B. Carney, U. S. Chief of Naval Operations, is correctly quoted by some Washington newspapermen, the question of war or peace could confront the United States within the near future.

Admiral Carney talked to a group of 20 Washington correspondents at a "background" dinner on Thursday evening, March 24. Robert L. Riggs, correspondent for the Louisville *Courier-Journal*, was one of the men present. Mr. Riggs says he took shorthand notes on some parts of the talk and longhand notes on other questions asked and answers given by Admiral Carney at the dinner.

According to the statements by Mr. Riggs, the Admiral, at four points in the discussion, referred to the imminence of a Communist attack upon the islands off the China Coast during April or sometime in the spring of this year. The date of April 15 was mentioned on two occasions, as Mr. Riggs relates it, and also reference was made to a military crisis that would confront the United States during the period immediately ahead.

The Admiral's denial. Admiral Carney, however, in testimony given on April 5 before the Armed Services Subcommittee of the Senate Appropriations Committee, denied categorically that he had predicted an attack by the Chinese Communists on or about April 15. The full text of the testimony containing this denial follows:

Senator Ellender [Allen J. Ellender, Sr. (Dem.), of Louisiana]: There was quite a scare created, Admiral, sometime ago by a statement attributed to you that the probabilities are that an attack would be made on the fifteenth of April. Have you changed your mind on that, or will you give us any information you have?

Admiral Carney: I have not changed my mind, because I never made such a statement, sir.

Senator Ellender: Will you clear the record for us on it, because there has been a lot of statements made about it? There has been a lot of criticism made by Senators and Congressmen to the effect that any statement of that character should come from the White House, rather than from the Joint Chiefs of Staff.

Senator Chavez [Dennis Chavez (Dem.), of New Mexico]: Senator Ellender, the Admiral has said he did not make such a statement. That ought to clear it pretty well.

Senator Ellender: Senator, if he wants to let it go at that, it is all right with me. I thought he might be given the opportunity of explaining what he did say, if he desires to.

Admiral Carney: Senator, I did not have the temerity to predict what the intentions of any potential enemy might be. I do not think that any experienced

—Harris & Ewing

ADMIRAL ROBERT B. CARNEY
"I did not have the temerity to predict"

military man would venture that far. I concern myself in my present job with the capabilities of those who might be opposed to us, my own capabilities, and the capabilities of my service, and the armed forces, to discharge their own missions. That I have done for many years. That is my view today, sir.

Senator Ellender: After the statement attributed to you was made, did you make any effort to correct it?

Admiral Carney: No, sir.

Senator Ellender: Did you have any reason not to do it?

Admiral Carney: No, sir. I decided that I would make no further statement. I did not see that it would accomplish anything. I am very glad to answer your question here, however.

Senator Ellender: Very well.

One listener's version. A different story is told by Mr. Riggs in his article written for the Louisville *Courier-Journal* on the night of the same day Admiral Carney's testimony was given. Mr. Riggs wrote as follows:

"As to Carney's contention that he did not predict an attack by mid-April, here are his exact words--or almost his exact words--four different times during the evening.

"He said it in these words the first time:

"'Mao and Chou have made a straightforward pitch on what they intend to do. They have had a series of unbroken successes and they are flushed with victory. They should feel safe in continuing to probe and they will probe. The first two things they will go after are the offshore islands.

"'They can take Matsu and Quemoy from the Chinats. (Apparently Chinats is a Navy term for Chinese Nationalists.) It could be expensive for them, but they could take the islands by spending enough. They probably will initiate an attack on Matsu in mid-April.

"'The significance of the timing is that it would tie in with the Afro-Asian Conference in Bandung. . . . The all-out attack on Quemoy would be some weeks later.'

"He said it this way the second time:

"'The attack may begin April 15 or later during the Conference. A month later, in May or June, they could launch an attack on Quemoy.'

"The third time, the Admiral said it this way:

"'It all could begin in the middle of April--maybe farther into the summer. But the timetable is ticking now.'

"The fourth time, he used the word 'April' in answer to a direct question. The question was: 'What we face, then, in April is a general war?'

"The Admiral replied: 'Very possibly, unless they are convinced we mean business.'

"Once, he used only the word 'spring' instead of April.

"'My feeling is that these people are on the prod and we are in the middle of the road,' Carney said. 'They will keep pushing and prodding. We could be confronted with one of the most serious decisions this nation has had to make this spring.'

"As for Carney's assertion to Ellender that he would not have the 'temerity' to predict what a potential enemy would do, this is what the Admiral had said to the reporters:

"'I have no doubt they will attack. If I were Mao's chief of staff, I would recommend it.'

"Carney emphasized to the reporters that if the United States does help Chiang defend the Matsu and Quemoy islands, the military leaders do not want restrictions imposed upon them such as Gen. Douglas MacArthur had in Korea.

"'If the decision is made to participate,' he said, 'it should not be on a localized tactical basis. If we are to pick up the gauntlet on a basis of winning, we cannot restrict ourselves in our targets. We have to carry the thing to a conclusion and find what will wreck the enemy's efforts. That involves enlargement far beyond the Matsu and Quemoy tactical area.

"'We have to engage with China in an all-out war. If we go in with a restricted view, we will find ourselves about to lose all of Asia.'

"'You are thinking of the Korean limitations?' the Admiral was asked at that point.

"'Yes,' Carney replied, 'that haunts us.'

"'What does winning the war mean?' Carney was asked.

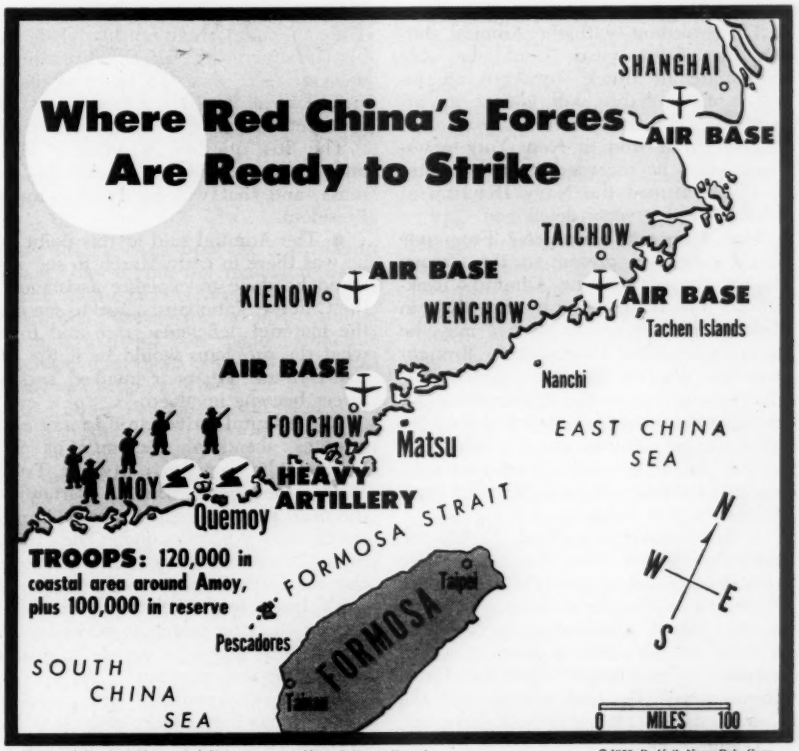
"'In the case of Communist China,' he replied, 'the one thing we would try to break up is her capability to seize territory and people. War with China can be won if we can wreck her potential.

"'She strives to reach her potential through a series of five and 10-year plans. She is not self-sufficient today, if that effort toward self-sufficiency can be damaged, she could stew in her own juice. You might not like her and she might not like you, but she could be checked.' . . .

"This question was asked him: 'Would it help avert war if we warned the Red Chinese in advance?'

"'It would help,' Carney replied, 'if the President would announce we will defend Matsu and Quemoy. One thing which leads us to hope they might hesitate, after a warning, is that Mao has told a diplomat that the Americans are unpredictable.

"'But he is on the march. He must



Map reprinted from March 25, 1955 issue of U. S. News & World Report

© 1955, By U. S. News Pub. Corp.

[continued]

WILL COMMUNISTS ATTACK SOON?

make a reconnaissance in force. I don't see how they can stop. But, if they were sure there was a dividing line which would bring war if they crossed it, they might pause.'"

Such are the direct quotations attributed to the Admiral by one responsible newsman who attended the "off the record" dinner.

Peter Edson, a correspondent for the Scripps-Howard newspapers, published a dispatch on April 8 disclosing the notes that he made when he listened to the Admiral at the dinner. In general, they correspond with the impressions given by Mr. Riggs in his article, but the phrases quoting the Admiral are not identical.

On the other side. Another correspondent, Paul R. Leach, of the Chicago *Daily News*, who attended the dinner reported in a dispatch to his paper that Admiral Carney was "technically correct in telling a Senate subcommittee yesterday that he did not predict a Communist Chinese attack on the Matsu islands April 15."

Mr. Leach wrote: "My notes do not have Carney saying the Reds would make the attack on the Matsus by mid-April . . . but that they could be 'able' to initiate an attack, perhaps that early."

That wording—with the Admiral stating that Communists "could be able to initiate an attack" by April 15, instead of "probably will initiate an attack" on that date—is the way another dinner guest, from a New York newspaper, says he recorded it on his notes and so informed the Navy Department after the controversy developed.

The Admiral's analysis? From one of the newsmen present at the Carney dinner, the bulk of the Admiral's background talk, not covered by the article in the Louisville *Courier-Journal* may be reconstructed in some detail. Brought together, this information reports Mr. Carney's views on what Communists are likely to do, what U. S. policy should be, what the big dangers are.

The gist of the main points, as summarized by this newsman from his copious notes, is as follows:

1 The build-up around Matsu includes air power near Foochow. There are earmarks of a general preparation. The operation against Matsu in April would require preparatory artillery fire and air attack. But to take it would require a considerable landing force. There would be heavy losses for the Communists if Matsu is well defended.

Communists have prepared 250 artillery positions north of Quemoy. There are other antiaircraft positions. Not all are manned. It's a long, tough haul to get weapons and ammunition there, but they can do it piggy-back.

Some heavy stuff is already in those positions. If the attack is limited to artillery, that would not take Quemoy. For the short term, it would not lead to capitulation. If the defenders get heavy stuff, they can put fire on the beaches and make it tough for the invaders.

2 As to air, they fly cover from outer fields for bombers for Matsu and Quemoy. The fields at Amoy and Foochow are not ready, but they may have minimum facilities.

The question of airfields is one of the critical factors. Resupply and attrition are involved here. If the Communists control the air, it is bad for the defense.

Today, the air factor favors Formosa because of the distance from respective airfields.

3 If the Communist Chinese attack Matsu and Quemoy, it would be unreasonable and improbable that we could restrain Chiang if he wanted to fight for the islands. When the fight starts, there is no sense in having one hand tied behind the back.

Chiang will want to go for the Communists' airfields and knock them out. The Communists will not like being hurt by air superiority. So the Communists will make a pass for Formosa itself—and that will be the key factor, the open act of hostility.

The $64 question is whether Matsu and Quemoy will be related to Formosa, and that will be decided by the President.

4 The Admiral said at this point that he was there in early March to see what could be done to expedite assistance to the Chinese Nationalists, also to see what the matériel deficiencies are and to see what the problems would be if the Mutual-Defense Treaty is invoked and our forces become involved.

The Admiral arrived in Formosa a few minutes ahead of Secretary of State Dulles, who came to ratify the Treaty. With ratification, Admiral Carney felt the need for opening discussions in more detail and for planning. The United States is making every effort to step up the delivery of new stuff, things that can't be deferred if there should be serious shooting which involves us. The Navy is the executive agent for pushing the military-aid program.

5 The Communists have declared openly what their objective is. It is hard to see what they can achieve by talk. For us not to consider the likelihood that they will push on by force would be a great mistake.

Their leadership of the Afro-Asian Conference would be established if they made a successful bluff.

The Chinese Nationalists cannot hold either Quemoy or Matsu if the Communists exert sufficient force by land and air.

A question-and-answer period then followed, covering these points:

6 How much should be spent to prevent the capture of Matsu and Quemoy?

Formosa is the objective, and the desire to cool off a hot spot is understandable, Admiral Carney believes. But if this is part of the pattern of attack on Formosa itself, then it is not sound war to yield voluntarily the high points and set up the battle on those terms for the enemy; you are not making him fight for anything.

From that standpoint, even though Matsu and Quemoy are not too valuable, it would facilitate the ultimate attack on Formosa and have a bad effect on the Chinese Nationalists, to lose Quemoy and Matsu.

If Quemoy and Matsu fall and the Communists attack Formosa itself, they would have a tough time taking it—purely from a military standpoint and not considering morale—if we participate in the defense.

7 Suppose we decide to hold Quemoy and Matsu? What would be required from us?

If we participate and decide that Quemoy and Matsu are integral to Formosa and decide to help defend them, it's important that we go in to win. If we go in under conditions of hands tied, we could be in for failure.

The Admiral said that if a decision is made to assist the defense of the islands, he believes it should not be on a half-hearted basis.

Would a wholehearted basis prevent the fall of the islands?

It would, but "wholehearted" means we do more than confine our efforts to tactical battles. If we just attack around the Fukien area [across from Quemoy and Matsu], we won't find targets. Life is cheap there and our efforts could be turned against us.

We have to engage with China in an all-out war. If China is left alone, she can expand and take over more and more of Asia.

The Admiral asserted that we can't win the war by occupying China, either. But it would seem a practical objective

to cut down somehow her capacity for mischief.

8 What does China have beyond manpower?

If she can develop heavy weapons and equipment, she can continue to expand on her own. Otherwise, she is dependent on Russia. But she is developing heavy weapons.

9 What are the targets in China?

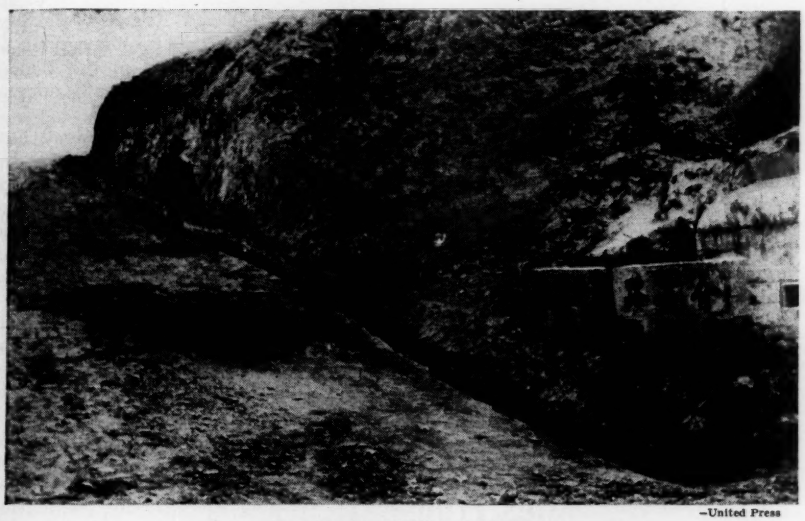
The Admiral said that he could not discuss them, but that they are industrial, transportation, airfields.

How about Manchuria?

The Admiral would recommend anything that would tie the Communists' hands.

10 What about Russia's reaction?

Admiral Carney said he does not believe the Russians want a general war. He can't believe that they would risk what the U. S. Strategic Air Command can do to them at this point.



—United Press

ON TINY MATSU ISLAND
. . . the first target for a Communist attack?

Could the Russians help China?

The Admiral doubts that Russians could supply enough over the Trans-Siberian Railroad. He doesn't believe they could become the arsenal of Communist China successfully on a sustained basis. What they would do is anybody's guess, but he doubts they would feel they are ready. It would be a risk.

11 Is it true we could wind this up with atomic weapons?

Our forces are tailored to the concept of atomic weapons.

12 We need not think our allies are going to help us very much. The important thing is to convince Asia we are not kidding around, but mean to win. Nehru [Prime Minister of India] and others might object to atomic weapons, but there is no more convincing argument in the Orient than success.

13 The Admiral feels we will have to make a decision as to whether we will be influenced by noncontributing allies.

14 The Admiral does not think the Chinese have an atomic bomb.

15 If we gave Matsu and Quemoy to the Chinese Communists, that would not satisfy them. A finish fight has to be made there, Admiral Carney believes. His reasons: Chiang cannot afford to quit Quemoy and Matsu. He has a slight edge in the air. He is closer to Matsu and Quemoy airwise than the Communists are, even though he's 100 miles away on Formosa.

If Communists build up their interceptor capability, if they move their bases closer to the coast opposite the islands, Chiang has to hit the mainland bases.

The Communists have airfields near Foochow, Swatow, several near Canton. There is a major base inland from the Tachens, and there is the Ningpo and Shanghai complex. There are two MIG fields 130 or 140 miles from Swatow.

Is it argued that if there is a major attack on Quemoy and Matsu, we must help defend those islands?

The Admiral thought that this is oversimplifying it. His position is that the Chinese Nationalists cannot hold without U. S. If the islands are lost cheaply, that will speed up the effort against Formosa. If it is a part of the move against Formosa, it is unsound tactics to relinquish them and set the stage for the other fellow. He does not believe the Communists can be stopped except by force.

If they take Formosa, or if they wreck the morale of Chiang's people so they cannot defend Formosa, Admiral Carney continued, the U. S. position will deteriorate so fast that we will lose our place in Asia.

16 The Communists will attack Formosa, he thinks. But it may not be taken without an invasion of 400,000 or 500,000 men. If the Chinese Nationalists lose confidence in our willingness to support them, that could lead to a deterioration of the regime. Whether the Communists attempt an invasion of Formosa in the near future, in his opinion, is doubtful. He doesn't see enough transportation. With the Nationalist forces as they are now, he doesn't see how Formosa could be taken in 1955 or 1956.

But, the Admiral concluded, the Nationalists' position can be made to appear so hopeless of any objective that they will lose heart. He doesn't believe Formosa can be lost quickly, but it has got to be buoyed up.

Official statement. What does the Defense Department have to say about all this? The following statement was issued by C. Herschel Schooley, Defense Department Director of Information, on April 8:

> "Admiral Carney has authorized me to say he will make no statement and hold no interview in comment on today's news developments.
>
> "The decision is the Admiral's own. He asked me to state emphatically that he has received no orders from Secretary [of Defense Charles E. Wilson] or anyone else not to do this, and he does not feel in any regard that he is muzzled or restrained.
>
> "Admiral Carney gave his statement to the Senate Committee yesterday."

The Admiral's dilemma. It was learned unofficially that the Admiral felt that the various reports about his talk at the dinner were an abbreviation or at times an overcondensation of his remarks. In this connection, it was said also that omission of qualifying phrases spoken informally in the course of more than two hours of discussion, tends to give an incomplete account of what the Admiral did say about the capabilities of the Communist Chinese, which, according to some of those present at the dinner, was his main thesis, rather than any knowledge of the actual intentions of the Red Chinese.

It was further understood that the Admiral felt committed still to maintain his original agreement with the correspondents, that what he said would remain "off the record," and that any attempt on his part now to correct publicly what was being reported in the press would not be in the public interest.

Berlin: Another Island in Trouble

Story of a City at the Mercy of the Reds

A new Communist squeeze on Berlin is reminding Americans of a 1945 mistake.

The mistake: failure to nail down a guarantee of free Western access to Berlin.

Results show the danger in negotiating with the Soviets.

Berlin was left an island, completely surrounded by Communists. It was blockaded once, could be again.

Reported from
BERLIN and WASHINGTON

The American, British and French sectors of Berlin today are an "island" 110 miles off the shore of the non-Communist world. Around this island are Communist military forces exercising control over all the approaches—except by air.

Communists once again are demonstrating their ability to impose a blockade upon Berlin. Blockading, as the Communists apply it to Berlin, is done by various means. In 1948-49 it was done by blocking all road, rail and water transport crossing the Soviet zone from West Germany.

Newest method is a "pocketbook blockade," achieved by imposing exorbitant fees on trucks that must cross Soviet-occupied East Germany to supply Berlin.

The purpose of all the blockades is the same: to strangle the non-Communist sectors of Berlin, to try to drive them into Communist control and drive the Western Allies out of Berlin.

No open corridor. Blockades do not affect only the Germans in Berlin. American, British and French troops are stationed on this interior island. These troops have no assured line of supply, except by air—and the air approaches are lined by Soviet military air bases.

Allied troops were left in this exposed position by negotiators for the U. S. and British governments near the close of World War II—ten years ago. Troops at that time were set down in potentially hostile territory without written provision for a land avenue to supply them.

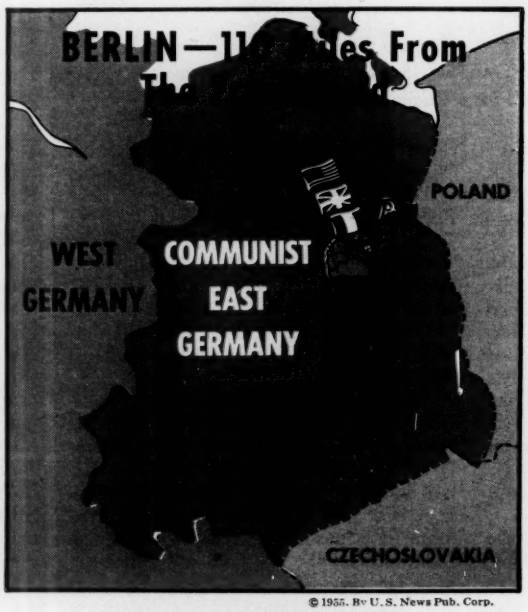
How this happened is once again a matter of growing interest.

Did General Eisenhower, then Supreme Commander in Europe, have responsibility for the agreements reached with the Russians on the question of approaches to Berlin? What thought was given to the need of a guaranteed land corridor to the island of Berlin? Were relations with the Russians then so agreeable that nobody stopped to wonder what the future might hold?

This whole episode of history—an episode that could contain the seeds of a new war—can be pieced together from accounts of those who participated in the negotiations with Marshal Georgi Zhukov and his Russian aides.

Clay the negotiator. General Eisenhower, at the time of these negotiations, was in the United States receiving the plaudits of an admiring populace for his role in the Allied victory in Europe. The negotiations, in General Eisenhower's absence, were handled by Gen. Lucius D. Clay, then General Eisenhower's deputy for military government in Germany.

Lieut. Gen. Sir Ronald Weeks represented the British. The French did not take part in the talks.



© 1955, By U. S. News Pub. Corp.

WHY BLOCKADE IS EASY
By land: no guaranteed access

The situation at that time was this: U. S. troops, fighting their way across Germany, had advanced to the Elbe River, far beyond the line which had been fixed in the London Agreements of 1944 as the western border of the Soviet zone of occupation. U. S. troops were scheduled to pull back soon to their own occupation zone in Western Germany and to turn part of the area they had conquered over to the Russians. Simultaneously, U. S. troops were to march into Berlin and take up, along with the French, British and Russians, the joint occupation of Hitler's former capital. All this had been specified in the London Agreements, which were finally adopted at Yalta in February of 1945.

Flaw in the Yalta arrangement, however, was this: Although agreement had been reached for four-power occupation of Berlin, no agreement had been made for allowing the Western Allies free access to Berlin—and Berlin lay deep in the heart of the Russian zone, surrounded by Soviet troops.

Censored this omission occ[illegible] Yalta record that was deleted—at the Pentagon's request—from the recently published Yalta papers.

An explanation is given, however, by Philip E. Mosely. As an assistant to the U. S. Ambassador, John G. Winant, Mr. Mosely participated in the work of the European Advisory Commission in London in 1944. It was this British-American-Russian commission that prepared the occupation agreements adopted at Yalta.

Mr. Mosely, writing in the July, 1950, issue of the magazine *Foreign Affairs,* explained that the U. S. War Department resisted attempts to specify in writing any fixed land route to Berlin. The reason given, he said, was that the War Department was reluctant to be tied down in advance to communication lines that might be found unusable after the war. The War Department is described as insisting that access to Berlin "was a purely 'military matter' which would be taken care of 'at the military level' when the time came."

That time came in June, 1945, a month after Germany's surrender.

General Clay's story. What was done at that time is described by General Clay in his book, "Decision in Germany." General Clay went to Berlin on June 29, 1945, to meet with the British representatives and Marshal Zhukov.

"The discussions," writes General Clay, "were directed principally to the taking over of Berlin and the withdrawal of Allied troops to their agreed occupation zones. . . .

"We had explained our intent to move into Berlin utilizing three rail lines and two highways and such air space as we needed. Zhukov would not recognize that these routes were essential and pointed out that the demobilization of Soviet forces was taxing existing facilities.

"I countered that we were not demanding exclusive use of these routes but merely access over them without restrictions other than the normal traffic control and regulations which the Soviet administration would establish for its own use. General Weeks supported my contention strongly.

"We both knew there was no provision covering access to Berlin in the agreement reached by the European Advisory Commission. We did not wish to accept specific routes which might be interpreted as a denial of our right of access over all routes, but there was merit to the Soviet contention that existing route[redacted] demobilization purposes.

"Therefore Weeks and I accepted as a temporary arrangement the allocation of a main highway and rail line and two air corridors, reserving the right to reopen the question in the Allied Control Council. [The Council was to direct the joint occupation of Germany.]

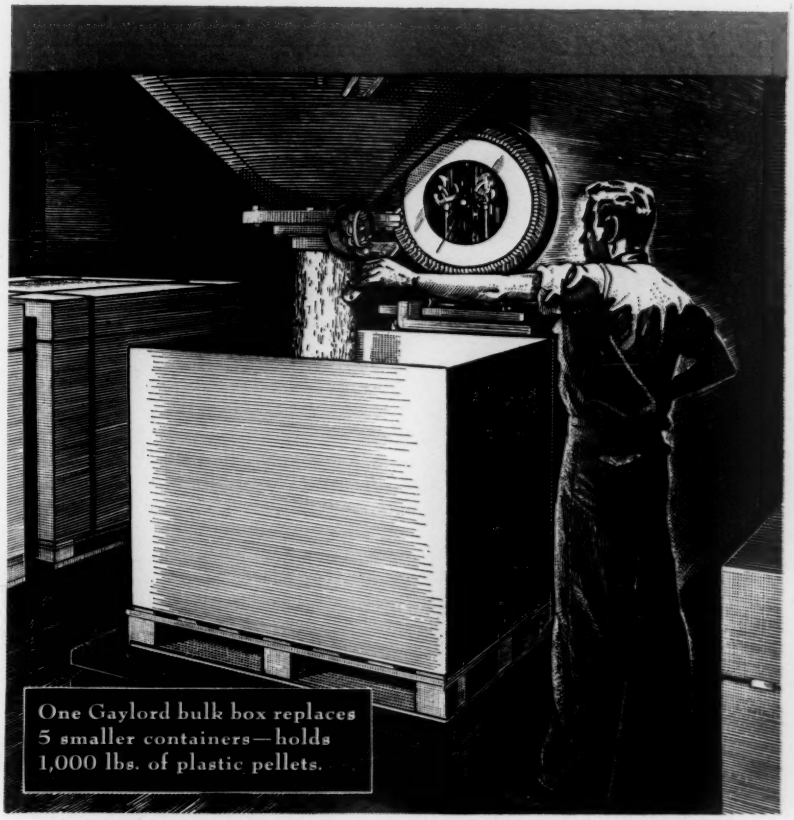
"I must admit that we did not then fully realize that the requirement of unanimous consent would enable a Soviet veto in the Allied Control Council to block all of our future efforts. . . ."

Broken promise. As U. S. Military Governor in Germany, General Clay later was to see his verbal agreement violated by the Russians in the blockade of 1948-49. After that blockade, he wrote:

"I think now that I was mistaken in not at this time making free access to Berlin a condition to our withdrawal into our occupation zone. The import of the issue was recognized but I did not want an agreement in writing which established anything less than the right of unrestricted access."

"However," General Clay adds, "I doubt very much if anything in writing would have done any more to prevent the events which took place than the verbal agreement which we made. The

(Continued on page 28)



SIMPLE ARITHMETIC IN PACKING

When one large box does the work of several smaller ones . . . it adds up to savings in many directions. You pack your product faster, handle it more efficiently and store it in less space.

"King-size" Gaylord boxes are designed to hold as much as 2,000 pounds of such diverse products as bulk chemicals, metal parts, wax, and brake linings. The list is constantly growing. Your product could be next.

For information call your nearby Gaylord sales office or visit Gaylord Booth 805 at the National Packaging Exposition, Chicago, April 18-21.

Gaylord Boxes

CORRUGATED AND SOLID FIBRE BOXES
FOLDING CARTONS • KRAFT PAPER AND SPECIALTIES
KRAFT BAGS AND SACKS

GAYLORD CONTAINER CORPORATION ★ ST. LOUIS

SALES OFFICES FROM COAST TO COAST ★ CONSULT YOUR LOCAL PHONE BOOK

You're so well received when you bring

Ballantine's

LIQUEUR BLENDED SCOTCH WHISKY

Masterfully blended of premium Scotch whiskies, aged in ancient oaken casks, Ballantine's Scotch is extremely light, though mellowed to an unusually subtle bouquet. Renowned for its continuity of flavor for more than 125 years, Ballantine's sets the standard for Scotch throughout the world.

86 PROOF

"21" Brands, Inc.

NEW YORK CITY

[continued]

BERLIN: AN ISLAND IN TROUBLE

Soviet Government seems to be able to find technical reasons at will to justify the violation of understandings, whether verbal or written.

"In any event General Eisenhower had delegated full authority to me to conduct the negotiations and the responsibility for the decision was mine."

Eisenhower's role. What part General Eisenhower played in approving the unwritten agreement is left uncertain by published records. Officials close to him at that time, however, have described him as *au courant*, or "in touch" with the negotiations, even though absent from Europe.

General Clay's hopes of obtaining a written agreement from the Allied Control Council that would unequivocally guarantee unlimited access to Berlin soon foundered. The Control Council, balked at every turn by Soviet vetoes, broke up in 1948, and the Soviets clamped on their historic blockade.

The single road and rail line the Allies had used to reach Berlin was simply and easily closed by Red troops.

Fortunately, a written agreement on aerial corridors to Berlin had been obtained. U. S. military authorities, realizing that designated air lanes were necessary for safety reasons, had not balked at putting them into writing.

Berlin's salvation. Those air corridors, in 1948-49, proved the salvation of West Berlin. The famous airlift flew into Berlin the supplies that could not be sent by road or rail. West Berlin was kept alive. The Kremlin, realizing that the blockade had failed, agreed to lift its barriers.

It is being pointed out now, however, that even in winning the battle of the blockade, the Western Allies still did not nail down a permanent guarantee that the battle would stay won. The agreement that ended the blockade merely removed the restrictions imposed by the Soviets in 1948. There is still no written provision to plug the gap left in 1945—still no guarantee in writing of free Western access to Berlin.

Now, some officials fear, the battle for Berlin may be starting all over again. And U. S. troops are still stranded on an island deep behind Soviet lines.

—Wide World

THE TRUCKS LINE UP: Westbound trucks wait between West Berlin barrier and East German check point

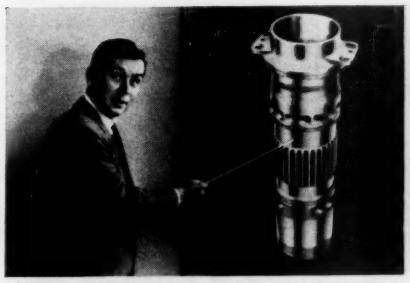
For the arguments over Far Eastern concessions Russia got in 1945, see page 60. Starting on page 98, France's new Premier gives some advice on how to deal with the Reds today.

They were asked, "Why two when one will do?"

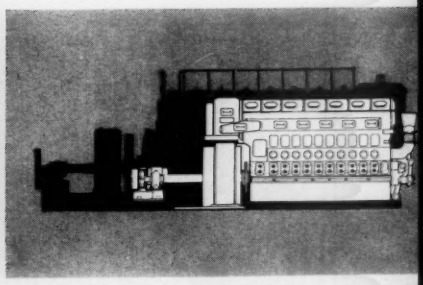
That's often the first reaction to the Fairbanks-Morse Opposed Piston Diesel . . . "Why two pistons in each cylinder?"

The answer given by the F-M Diesel Design Staff is quite simple: two pistons reacting to the forces of combustion in a common cylinder gives you greater horsepower per cylinder . . . more power per foot of floor space . . . and as it happens, a far more simple engine with 40% fewer moving parts to wear and maintain.

Only from Fairbanks-Morse can you get such originality and soundness of *new* design that assure outstanding performance. When next you need a Diesel Engine . . . or a Scale . . . an Electric Motor . . . or a Pump . . . look for the famous F-M Seal and see the difference that quality makes. Fairbanks, Morse & Co., 600 So. Michigan Ave., Chicago 5, Illinois.



The Secret is this cylinder liner that contains two pistons. It eliminates cylinder heads and their gasketed joints, intricate valve trains and their timing—all parts that require the time of skilled maintenance personnel.



The Result is a compact, lightweight diesel that permits installing *more* horsepower in the *same* space occupied by any other comparable engine. And horsepower for horsepower, the O-P is the easiest to maintain.

FAIRBANKS-MORSE

a name worth remembering when you want the best

DIESEL AND DUAL FUEL ENGINES · DIESEL LOCOMOTIVES · RAIL CARS · ELECTRICAL MACHINERY · PUMPS · SCALES · HOME WATER SERVICE EQUIPMENT · MOWERS · MAGNETOS

FRIENDS SET STAGE FOR IKE IN '56

Way Is Cleared to Second-Term Nomination

San Francisco in 1956 looks like just another big Eisenhower rally. The nomination is in the bag if Ike wants it.

The President's men are in charge of plans for the Republican Convention. Other candidates have little chance to show.

The pro-Eisenhower wing of the party has taken full command. Here's how it happened.

With 16 months yet to go before the Republican National Convention at San Francisco, Eisenhower men are making it clear that they intend to dictate the choice of their party's 1956 presidential candidate.

Arrangements for the Convention are completely under the control of those who want a renomination for President Eisenhower. Old-line followers of the late Senator Robert A. Taft, of Ohio, are deeply in the minority on the subcommittees that are setting up the Convention. Supporters of Senator William F. Knowland, of California, or any other potential candidate, are hard to find on these committees.

What this means is that the 1956 nomination belongs to President Eisenhower if he will take it. If he should reject a renomination, his men have such a firm grip on the Convention machinery that he can name his own man, probably without much trouble. There is a great deal of talk of Chief Justice Earl Warren as the President's favorite if Mr. Eisenhower should step out.

Running the show. The President's control of the Convention appears in the subcommittees. His friends are in charge of the groups that handle tickets, planning, rules, badges, contests, various other phases of the meeting.

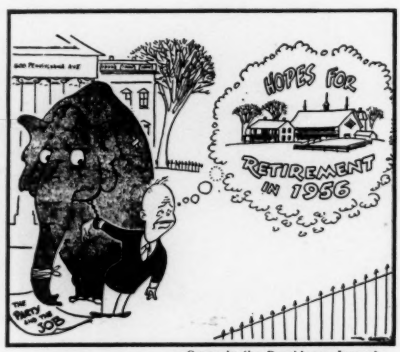
Where an old Taft man shows up on the list—such as Representative Clarence J. Brown, of Ohio—he is surrounded by Eisenhower supporters who can outvote him. All along the line, the subcommittees that are going to handle the various Convention activities wind up in the control of friends of the President.

This is a situation that flows naturally out of the present make-up of the Republican National Committee. It did not require any elaborate planning or design on the part of Committee officials. Chairman Leonard W. Hall simply let matters take their course. The National Committee is stacked in favor of Mr. Eisenhower by a ratio of about 5 to 2.

The line-up reflects the transformation that has been going on inside the National Committee over the last two and a half years. Some of these changes have been in personnel. Others reflect the view of men and women who now think Mr. Eisenhower is the candidate who can win for the party in 1956.

At the time of the 1952 Convention, the National Committee was anti-Eisenhower by a ratio of about 6 to 4. This tended to put many of the Convention controls into the hands of Mr. Eisenhower's enemies. It helped to make more close the battle between Mr. Eisenhower and Senator Taft for the nomination.

New group, new rules. Two steps taken at the Convention have helped to revolutionize the Committee. The first



—Green in the Providence Journal

"IKE'S GETTYSBURG ADDRESS"
. . . competes with the White House

—Pletcher in the Sioux City Journal

" 'DUTY' IS THE WORD"

—Goldberg in the New York Journal-American

"ELEPHANT-IN-WAITING"

—Hesse in the St. Louis Globe-Democrat

"I'D LIKE SOME IKE BUTTONS"

Only a flat and firm negative by Mr. Eisenhower can stop the wheels from rolling

was election of a new National Committee at the end of the Convention. Some Eisenhower men and women replaced Taft people on the Committee. A second, and perhaps more important, factor was a change in the rules which enlarged the National Committee by extending membership to Republican State chairmen in States that give a majority of their votes to Republicans in presidential and congressional elections.

The immediate effect of this rule change was to put 38 State chairmen on the National Committee, and 30 of these turned out to be Eisenhower men. Thus, Mr. Eisenhower gained control of the Committee from the outset, even if there had been no juggling of Committee seats to accomplish this purpose.

In the period since the '52 Convention, the hold of the President has been made stronger by patronage and by the wish of Republicans to keep control of the Government. There are members of the Committee who do not care for Mr. Eisenhower and his views but who, nevertheless, feel that the party must have him in the field to win in 1956.

A recent poll by the Washington *Star* brought replies from 99 members of the Committee, about two thirds of the members. It showed that the 99 were unanimous in their wish to have the President run for a second term. If all of the members who did not reply favored some other candidate, the proportion of the Committee favoring Mr. Eisenhower would stand at about 2 to 1. Actually, the proportion of Eisenhower men on the Committee runs higher than this.

Of the 99 members, 92 favored Vice President Richard M. Nixon for second place on the ticket. This vote—in many cases—made it clear that the member favored Mr. Nixon because it was felt that the President wants him for a running mate.

Mr. Nixon, too? The Republican officials are moving toward the Convention as if they were certain that the President is to be a candidate for a second term and Mr. Nixon is to be his running mate. That is the assumption they are working on.

Only a flat and firm negative by Mr. Eisenhower could stop the wheels that have been set in motion to grind out another nomination for him.

It is the assumption that the President and Vice President will be renominated that was most influential in taking the Convention to San Francisco. Republican strategists figured that such renominations would produce a fairly unexciting Convention, with few fights.

Yet, if the President should step aside for Mr. Warren, a welling up of home-State enthusiasm for the former Califor-

(Continued on page 32)

There's something for YOU on every page

IF YOU USE RUBBER GOODS

. . . in your plant
FOR THE INDUSTRIAL EXECUTIVE
Neoprene
A WIDE RANGE OF MOLDED NEOPRENE PARTS SERVES INDUSTRY IN MANY WAYS
. . . in your product

42 PAGES OF FACTS in this interesting, readable booklet. Among them: how neoprene is produced . . . a list of neoprene's outstanding properties and how they can help *you* . . . dozens of sharp, clear pictures showing products made with neoprene.

ACTUAL SAVINGS! You'll see figures that tell you how neoprene has helped others save precious man-hours and money . . . reported in dollars-and-cents terms that *really* mean something to you.

YOU'LL SEE HOW you, *too*, can use neoprene to your profit! If you use rubber products in your plant operations, neoprene multiplies service life, reduces maintenance costs . . . if you make products using rubber parts, neoprene gives you sales advantages no other resilient material can offer! Neoprene may be the answer to one of *your* industrial problems. Clip coupon below and find out the facts!

NEOPRENE

The rubber made by Du Pont since 1932

DU PONT
REG. U.S. PAT. OFF.

Better Things for Better Living . . . *through Chemistry*

SEND FOR YOUR FREE BOOKLET TODAY!

E. I. du Pont de Nemours & Co. (Inc.)
Elastomers Division U. S.-4, Wilmington 98, Del.

Please send me your free booklet: "A Report on Neoprene . . . for the Industrial Executive."

*Name*_____ *Position*_____

*Firm*_____

*Address*_____

*City*_____ *State*_____

YOUR **PLM** AGENT

serves you these eight ways

He is your neighbor. Hence he knows local conditions—the hazards to which your property is specially liable.

He is in a position to assess community fire preventive and protective measures as they bear on your property.

He can best advise on the kind and amount of insurance protection you need. He will sit down with you and plan it.

He knows local costs and property values, and so can counsel you on keeping your insurance always in line with replacement figures.

He is a serious, professional insurance man who keeps abreast of the latest developments in coverage.

He can save you up to 20% on your fire and other insurance premiums, yet with assured safety.

He is *there*, at the other end of your local phone, to facilitate prompt adjustment and quick claim payment if you suffer fire or other loss.

He brings you at all times that vital peace of mind which comes from knowing that someone you trust is watching over your interests day and night.

Why not write us for his name?

PLM

ORGANIZED 1895

Pennsylvania Lumbermens Mutual Insurance Company

Market Street National Bank Bldg., Philadelphia 7, Pa.

Writing FIRE and ALLIED LINES

"In the Birthplace of American Mutual Insurance"

[*continued*]

STAGE SET FOR IKE IN '56

nia Governor might lend impetus to the drive of the Eisenhower forces to name the man the President picks. This point figured little in the original choice of San Francisco, however.

Those who helped in the selection of San Francisco say that the real story is this:

The 1956 Convention, without some fillip such as the new site, seemed destined to be a dull affair. Mr. Eisenhower and Mr. Nixon face no important opposition. Talk of a fight by the "Abraham Lincoln National Republican Club" to take control of the party away from the Eisenhower men is described as coming from a splinter group that stands far over to the right of the minority of the party. There is a prediction that any fireworks from that quarter could be put out with a hand extinguisher.

For the most part, the same delegates go to Convention after Convention. The choice of either Philadelphia or Chicago by the Republicans would have taken them back to the same hotels and restaurants and bars and night clubs they saw in 1952 and 1948. They would walk themselves weary on the same hot streets, listen to timeworn speeches in the same convention halls.

The Republican strategists remembered that Chicago, a contender for the Convention, can be very hot in August. All of the delegates have heard a great deal of talk about the Republican program. There might be more enthusiasm if they heard the old speeches in a new environment.

This was what turned party leaders' minds to San Francisco. It is a legendary city that all delegates have wanted an excuse to visit. Times are good. Money for the cross-country trip is not a problem. San Francisco has hotels, a convention hall, good food and entertainment. By nature, it is an air-conditioned city, with the weather nice and cool in August. And—who knows?—a Republican Convention on the Pacific Coast might boost the stock of the party there when the voting comes.

TV viewers in mind. The Convention planners are working out a program that is to be styled for television. They are going to put into four days of single sessions the same activity that usually goes into five days of double sessions. The single sessions, running from 2 p.m. until 7 p.m., Pacific Coast time, are designed to catch the best hours for television viewing back East. They will hit the Eastern screens just at the dinner hour and run until bedtime. There are to be no early-morning or late-night sessions that would be wasted on the television audience.

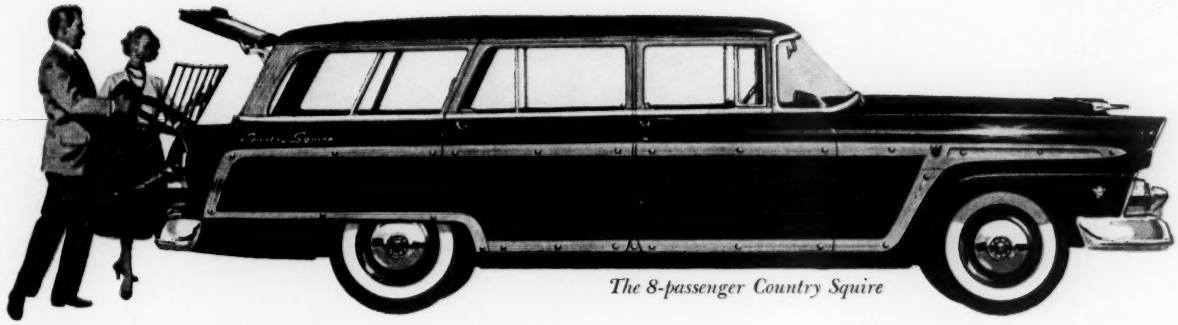
Topflight showmanship is to be employed to keep the program moving. Speeches are to be shortened. There is to be a minimum of roll calls of individual delegations. Mornings are to be left free for delegates and their wives to go sight-seeing and shopping. Evenings are to be open for enjoying the night life of San Francisco. The hope is that the delegates will get a nice vacation and go back home full of fire for the campaign.

All of these plans can be upset by Mr. Eisenhower. But the Convention is his. He can take the nomination himself, or give it to someone else. His men are in complete command.

—United Press

"IKE AND NIXON" AT THE 1952 CONVENTION

Most National Committeemen want a repeat performance



The 8-passenger Country Squire

Ford's 8-passenger Station Wagons have easy-to-lift-out rear seat, Stowaway center seat that folds into floor.

Now America's favorite family of station wagons has grown to *five* do-it-all dandies. Two carry eight passengers—three carry six. Three have four doors—two have two doors. All convert to roomy cargo haulers.

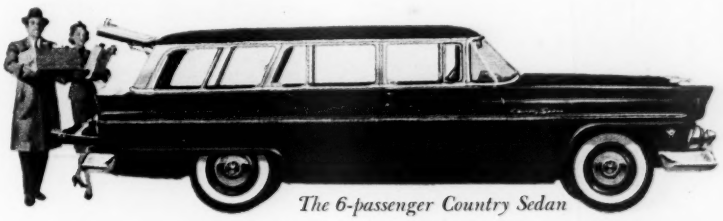
The 8-passenger Country Sedan

PICK YOUR WAGON – FORD'S GOT 5

the fetchingest cars on the road

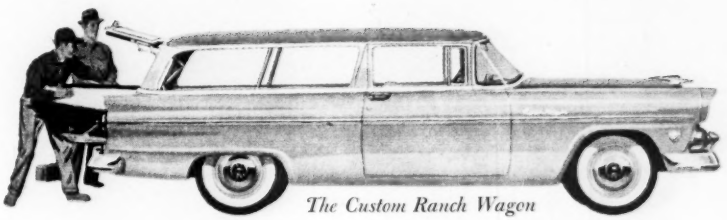
It's when you *drive* a Ford Station Wagon that you'll really admire the features that set it apart from the field. You'll see interior decoration you'd expect to find only in smart sedans. You'll find that Ford's Trigger-Torque power . . . V-8 or Six . . . gives you extra dividends of agility and "Go" even when the wagon's heavily loaded. You'll feel safer.

In the ride department, you'll discover how Ford's Angle-Poised Ball-Joint suspension gives new meaning to "riding comfort" and "easy handling." Visit your Ford Dealer's. See the wagons that really take *loads* off your mind.



The 6-passenger Country Sedan

Ford's 6-passenger Station Wagons have a convenient Stowaway center seat which folds flush with floor for carrying king-size loads with ease.

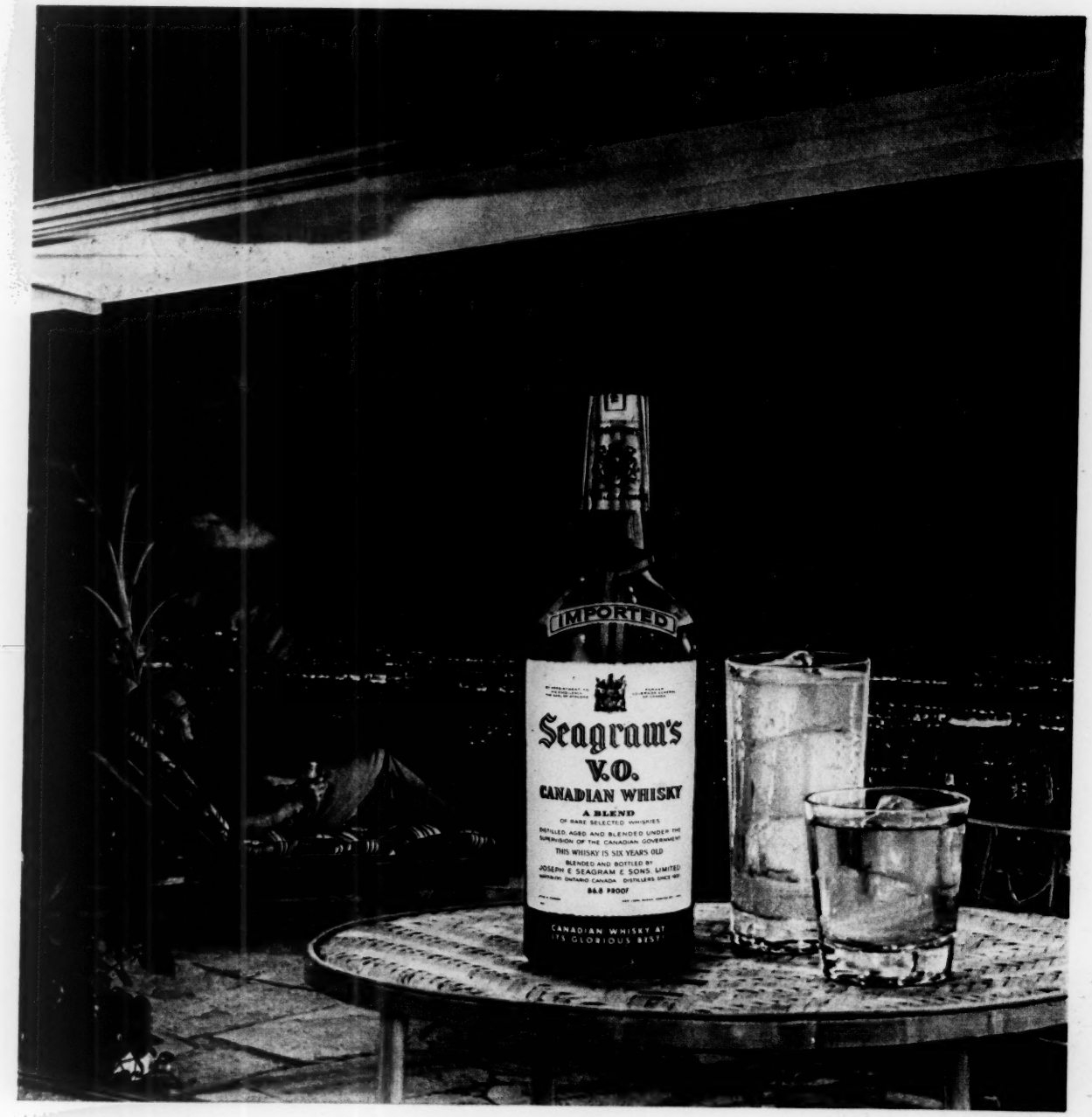


The Custom Ranch Wagon

The Ranch Wagon

Treat yourself to a Trigger-Torque Drive in the

'55 FORD



Known by the Company it Keeps

Seagram's VO

SEAGRAM-DISTILLERS CORPORATION, NEW YORK CITY. 86.8 PROOF, CANADIAN WHISKY—
A BLEND...OF RARE SELECTED WHISKIES • SIX YEARS OLD

How Election Winds Are Blowing

Democrats Get Strong Start in Midwest

The old team of Democrats and organized labor is back in the field, campaigning hard in the spring elections.

Democrats put up the candidates. Labor helps with money and workers. Between them, they get out the votes for the ticket.

The results are showing up in Democratic gains. The Chicago and Michigan elections tell the way it is working.

Reported from
DETROIT and CHICAGO

Early off-year voting in the Midwest gives the Democrats a running start toward the 1956 presidential campaign. This is especially clear in the Chicago mayoralty election and in scattered State-wide races in Michigan, where unions have joined forces with Democratic organizations to make new trouble for the Republicans.

In Chicago, despite a primary fight that left a wide rift in the Democratic Party, Richard J. Daley, the machine candidate, was elected mayor. The victory all but gave Mr. Daley the title of leader of the big Chicago Democratic organization. He is a friend of Adlai E. Stevenson and had the latter's support in the campaign.

–Harris & Ewing

GOVERNOR WILLIAMS
. . . now stronger than ever

AFL and CIO unions, working independently, operated 25 campaign offices for Mr. Daley in the pre-election drive. One report says they spent as much as $250,000, with $100,000 coming from the AFL. Other informed observers doubt they spent this much.

Shifts in Michigan. A coalition of Democratic and labor forces has elected G. Mennen Williams to the Michigan Governorship four times. Last autumn, it swept Mr. Williams's entire State ticket into office with him. Republicans were left with only two elective offices in the State and a handful of places on boards and courts. This spring, the Democrats and their labor colleagues went out to capture the remaining offices. They ran the Republicans the closest race in the history of Michigan's spring elections.

The principal offices at stake were 2 seats on the State Supreme Court and 6 places on educational boards, 7 of the 8 offices being held by Republicans. When the ballots settled after the voting, Republicans had scare after scare. Races were settled by paper-thin margins. There was talk of several recounts. Republicans seemed sure of only 3 of the 8 places. They had lost 1 seat on the Supreme Court, 4 posts on educational boards.

What happened was that the Democrats, backed strongly by the big CIO automobile unions in Detroit, had thrown their entire strength into the spring drive. In the past, they had figured they could not stir up enough interest to pull out voters for these fairly minor contests.

Two years ago, in the spring elections, only about 850,000 voters had gone to the polls. They voted in a ratio of 5 Republicans to 3 Democrats. This time, more than 1 million voted. Of the additional votes, about two thirds went to the Democrats. Not only did the Democrats sweep Wayne County, as usual, but, by putting candidates on the ticket for small local offices, they increased their up-State vote as well.

Republicans, suffering from a factional fight, had chosen a campaign issue that made workers angry enough to go out and vote. John Feikens, the Republican State chairman, had accused the CIO of trying to take over the courts and the educational system to spread its political and economic philosophy, that the 600,000 CIO members in Michigan were forced to contribute to the Political Action Committee to hold their jobs. Democrats contended this charge proved the Republicans were antilabor.

–Wide World

MAYOR-ELECT DALEY
. . . the margin was small

Factional row in Chicago. The victory in Chicago was less impressive than that in Michigan. Mr. Daley's margin was the smallest the Democrats have had in electing a mayor there since far back in the 1930s. Back of this, however, was a rough primary fight in which the Democrats ousted Mayor Martin H. Kennelly as a candidate. The mayor stood on the side lines in the recent election, withholding his support from Mr. Daley. Many Kennelly supporters voted for the Republican candidate.

The results in these two Midwest States have made it virtually certain that Mr. Stevenson and Governor Williams will go to the Chicago Democratic Convention in 1956 with the support of the delegations from Illinois and Michigan. Mr. Daley is being mentioned as a new leader of the Stevenson forces. And the victory for Governor Williams is sure to result in sending a Convention delegation from Michigan wearing green polka-dot bow ties—the Governor's trade-mark—and yelling for his nomination. However, Mr. Williams says that Mr. Stevenson can have the nomination for the asking.

So Much to Do

CHURCHILL FRETTED— WILL THERE BE TIME?

For Winston Churchill, at 25, an incomparable lifetime still lay ahead: 55 years of history making, two world wars, politics, turmoil—and hopes for peace.

Through the years from Victoria to Elizabeth II, he watched the British Empire, for which he had fought in faraway places, dwindle to a fraction of its former size. And he saw the rise of the U. S. and Russia as the powerful nations of the earth.

But 55 years, after all, were not enough. Retirement left Sir Winston's hope of making some final, lasting, personal contribution to peace still unrealized.

LONDON

On Nov. 30, 1899, Winston S. Churchill, 25 that day and a prisoner of war in South Africa, wrote to an uncle:

"There is so much to be done in this world and so little time in which to do it."

The young soldier perhaps was feeling—unlike himself—down on his luck. And his health had been fragile. But, as it turned out, there remained to him a full 55 years in which he usually was at the center of great events and, as often as not, powerfully shaping them. Then he retired.

There have been few lifetimes like his.

Fabulous career. When just out of school, a restless, brash and ambitious youngster, Winston Churchill was a "soldier of the Queen," and a war correspondent in those distant conflicts by which Victorian England kept the Empire tied tightly to the Crown.

Then, in World War I, he was First Lord of the Admiralty, commanded troops in France, returned to London as Minister of Munitions.

Between wars, he saw the menacing rise of Hitler, warned Britain that she too must rearm, raised his voice against appeasement—and went unheeded.

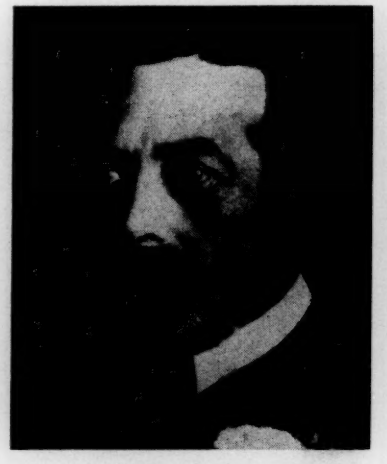
At England's bleakest moment in World War II, Churchill was summoned to the Prime Ministry. As many see it, he led his country to victory by his own indomitable will power, his compelling oratory.

This long, busy lifetime saw Churchill hold 10 Cabinet positions and ministries. He ran for the House of Commons 17 times, under five party labels. He lost

SIX MONARCHS: ONE MAN SERVED THEM ALL . .

QUEEN VICTORIA

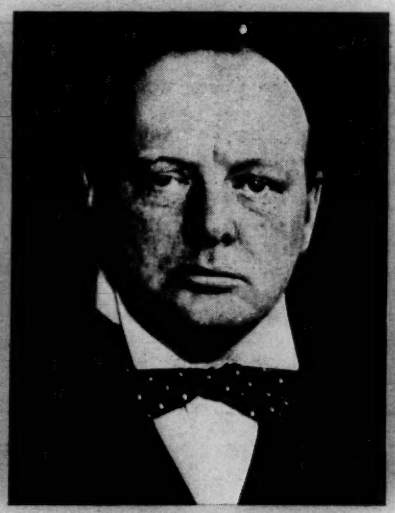
KING EDWARD VII



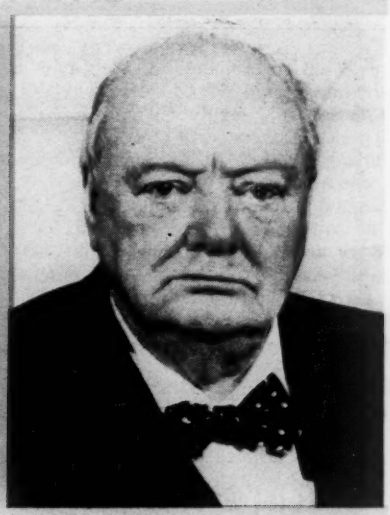
KING GEORGE V

From a Queen who commanded a quarter of the earth's lands and peoples . . .

. . . IN HIS TWENTIES



. . . IN HIS FORTIES



. . . TODAY, AT EIGHTY

four of those elections. In one capacity or another, he served under six British Sovereigns, was friend and adviser to members of the royal family. Queen Elizabeth II made him a Knight of the Garter in 1953.

Over the years, Sir Winston also attained the stature of one of the great masters of the English language, whether written or spoken. From his period as a war correspondent on, he supported himself with his writings and some lecturing, amassed a fortune from his books and his magazine and newspaper articles.

Dwindling realm. Throughout, Sir Winston has retained a Victorian respect for the British Empire and the British monarchy. But he himself has seen the Empire through a long period of decline. In 1942, he asserted: "I have not become the King's First Minister in order to preside over the liquidation of the British Empire." And yet:

South Africa, where he fought the Boers and wrote war dispatches, now is ruled by the Boers and their descendants. The connection with the British Commonwealth is tenuous. South Africa periodically threatens to pull out altogether.

The India in which Sir Winston also was a soldier and writer, Kipling's India, is gone. Technically, it is associated with the Commonwealth, but it refuses to follow British leadership in most things, tries to be neutral in the conflict with Communism. Pakistan, once a part of India, also is an independent dominion.

Churchill fought in the Sudan, too, took part there in the last great cavalry attack of history. Now, there is constant trouble for the British in the Sudan. It

KING EDWARD VIII

KING GEORGE VI

—BIS, Harris & Ewing, United Press

QUEEN ELIZABETH II

. . . to a Sovereign who reigns over one twentieth of the modern world

[continued]

CHURCHILL FRETTED—WILL THERE BE TIME?

seeks self-government. A plebiscite is scheduled for 1957 to settle the issue.

As Secretary for the Colonies in 1921, Churchill negotiated the treaty that gave Ireland, except for the Northern counties, a dominion status that since has been changed to complete independence and a brusque disregard for all British interests or needs. Ireland was defiantly neutral in World War II.

Egypt is almost gone, too. Withdrawal of British troops began under Sir Winston's recent Administration.

So it has gone, while Churchill watched. Ceylon and Burma are out of the Empire. Canada, Australia, New Zealand are independent dominions, with close ties of loyalty to the Crown, but all three have grown more and more closely related to the United States at the same time. The rise of the U. S. as a world power has, in fact, been a major phenomenon of Sir Winston's time.

The "realm," as Sir Winston prefers to call it, of Queen Victoria has shrunk mightily. Victoria ruled over a quarter of the earth's lands and inhabitants. Queen Elizabeth II reigns over about one twentieth.

As First Lord of the Admiralty when World War I began, Churchill had the British Navy at a peak of power—strong, mobilized, ready for action and equipped with the beginnings of an Air Force. For years the Fleet was supreme on all the seas, the guardian of the Empire. Now, it has diminished to secondary status.

Esteemed royalty. Watching ruefully the disintegration of an Empire, Sir Winston also has seen the British monarchy become more and more strongly entrenched in the affections and loyalty of the British people. "The Crown," he said, "has become the mysterious link—indeed, I may say, the magic link—which unites our loosely bound but strongly interwoven Commonwealth of Nations, states and races."

The members of the royal family for half a century have been his intimate friends.

Victoria's son, King Edward VII, was a companion of Sir Winston's father, Lord Randolph Churchill. The King called the young Churchill by his first name. So, too, did King George V. When, in 1931, Churchill was run down and seriously injured by a New York taxicab, King George anxiously telephoned from London to learn of his condition and wish him well.

Then, in 1936, came the crisis over the proposed marriage of King Edward VIII and Mrs. Wallis Warfield Simpson. Sir Winston held no position in the Government and was, in fact, at outs with leaders of the Conservative Party over German and Italian policy. Nevertheless, he was drawn quickly to the center of the "constitutional crisis." Edward wanted it that way.

There were long consultations. Churchill advised patience, wanted time to take its effect. Edward chose, instead, to abdicate and prepared a draft of his famous address of farewell. Churchill went over it with a vigorous pencil, added rolling Churchillian phrases. Later, listening at the radio, he is said to have commented on Edward's unexpected abilities as a speech writer.

BOWING OUT, AFTER SIX DECADES OF SERVICE
From the Churchills, an affectionate farewell to the Queen

Zenith of power. With George VI came World War II and Churchill's rise to real power. At least once a week, sometimes oftener, he briefed the Monarch on developments, past and prospective. A close relationship developed.

Now, with Elizabeth II on the throne, a special bond of affection is said to exist between Queen and elder statesman. Sir Winston has known her well since childhood. She has looked to him for guidance on many matters, both official and personal.

While the British monarchy has endured through the years, and remains solidly established, he has seen many kings depart, 11 in Europe alone, as the result of two wars. World War I swept away the monarchs in such major nations as Russia, Germany and Austria-Hungary, and also in Albania. World War II toppled monarchies in Italy, Hungary, Rumania, Bulgaria, Yugoslavia and again in Albania, where the throne had been re-established between wars.

Churchill and Russia. Churchill was quick to see the Bolshevik Revolution in Russia in a realistic light. It came when his career still had 38 years to run, and the rise of Russia, together with that of America, became the predominant factor of his later years.

In 1918, Churchill became Secretary for War and Air. He inherited commitments to help the White Russians. British troops were fighting in Russia and he favored continued opposition to the Bolsheviki. Such a course proved unpopular with a people that had just emerged from a big war. The fighting petered out. The troops were withdrawn. Criticism descended upon Churchill and continued to the end of his career.

(Continued on page 40)

CHURCHILL BITTERLY OPPOSED "LIQUIDATION OF THE BRITISH EMPIRE" . . .

. . . but he saw British troops march out of India, where he served as a young man

. . . the rise of the Mau Mau terror to threaten British Africa

. . . jungle warfare in Malaya, where Britons hunt out Red guerrillas

—United Press, Guillumette

. . . troops moving out of the Sudan, where he fought in the last great cavalry attack of history

[continued]

CHURCHILL FRETTED—WILL THERE BE TIME?

But, when in 1941 Hitler attacked Russia, Churchill's hatred for Communism was smothered by wartime necessity. Quickly he offered the Soviet Union every assistance, and in a broadcast speech told the British people:

"Any man or state who fights against Nazidom will have our aid. Any man or state who marches with Hitler is our foe."

Nevertheless, Churchill was wary, suspicious of the Reds. He wanted a major route of attack opened through the Balkans to cut them off. He urged toward the close of the war that Allied troops hasten to take Berlin before the Red Army could do so. But the latter was an American decision and it went against him.

After the war, the aging statesman and his party were out of power for six years. Meanwhile, in a speech in the U. S., he accused Russia of seeking "indefinite expansion" and called for a lasting Anglo-American alliance to prevent another "catastrophe." And, incidentally, he coined a lasting phrase: "the Iron Curtain."

Back in power in 1951, the Prime Minister, conscious of the fear of his people for the Russian atomic bomb, repeatedly sought high-level conferences to include top statesmen of the U. S. and Russia, talks "at the summit."

Diplomacy. Churchill learned early to value the personal contact in diplomacy. Back in 1921, he worked out the Irish Dominion Treaty in close collaboration with Michael Collins, a leader of the Sinn Fein. The two became good friends in the process.

In World War II, with England fighting alone against Nazi Germany, Churchill sought contacts with President Franklin D. Roosevelt. Mr. Roosevelt helped with 50 destroyers in return for offshore bases. The Atlantic Charter was perfected by the two leaders at sea, off Newfoundland.

Frequent White House visits, after Pearl Harbor, saw the Prime Minister, clad in a bathrobe, in and out of Mr. Roosevelt's room until all hours, offering ideas and suggestions. They soon were "Winston" and "Franklin" to each other.

The personal contact developed into the great and more formal international meetings of the wartime days. There were two meetings at Quebec to discuss grand strategy.

At Casablanca, in January, 1943, the two leaders produced their statement, often criticized later, that "unconditional surrender" was the first objective of the war.

At Cairo, China's Chiang Kai-shek sat in with them. At Teheran, Stalin of Russia was included. And, later, at Yalta, Churchill, Roosevelt and Stalin worked out arrangements that gave Russia huge geographic concessions in return for, as it proved later, unnecessarily joining in the war against Japan.

"MEETINGS AT THE SUMMIT"—A CHURCHILL SPECIALTY

ATLANTIC CHARTER, 1941: Before long, it was "Franklin" and "Winston"

YALTA CONFERENCE, 1945: Here, big concessions were made to Russia

TEHERAN'S BIG THREE, 1943: Stalin joined in discussions of war strategy

BERMUDA'S BIG THREE, 1953: With Joseph Laniel of France, Mr. Eisenhower

After the war, and President Roosevelt's death, the Prime Minister met President Truman at Potsdam. But, midway in the Conference, British elections displaced the Conservatives—to Churchill's smoldering resentment—and representatives of the Labor Party went on with the discussions.

Later, after Churchill returned to power with the Conservatives, he met President Eisenhower—whom he had known well in wartime—at Bermuda, a meeting that had been postponed once because the Prime Minister had suffered a severe and crippling stroke. His recovery at his age was considered a miracle.

The Prime Minister was back in the U. S. last year, talking with Mr. Eisenhower and pleading publicly for "a real good try" at "peaceful coexistence" with Russia and Red China.

Most of all, Sir Winston has wanted in late years to carry personal diplomacy into a meeting with the new rulers of Soviet Russia. And, as he settles reluctantly into retirement, such a conference is still an uncertain prospect. Sir Anthony Eden now will be speaking for England.

Literature and oratory. As long ago as Victoria's time, Churchill was famous for his war dispatches. Now his literary reputation rests upon a long array of books, as well as on his speeches.

He wrote a novel early, and says: "I have persistently urged my friends to abstain from reading it." But his works also include histories, biographies and autobiographies, most of which have been critical and popular successes. His World War II memoirs brought in more than a million dollars in American magazine and newspaper rights alone.

The retired statesman's oratory was a slow and often laborious development. A slight lisp bothered at first and never has been entirely eliminated. He practiced his speeches alone and aloud. At school he was an indifferent, often rebellious student, but during inactive periods of his Indian service he began reading. The classics of English literature, especially Macauley and Gibbon, are thought to have shaped his majestic style.

Speeches and books together brought him the Nobel Prize for literature in 1953. But, actually, the old warrior would have preferred the Nobel Peace Award.

Still, so little time. Sir Winston's 55 years in the thick of events gave him a career such as few have seen or will see. And yet, toward the close of his active career, just as on his 25th birthday, he still was regretting that there was much to be done and still "so little time."

Accused by political and other foes of being a warmonger, a charge that stung, Sir Winston wanted to close his career with some lasting contribution to world peace. This, for one thing, prompted his insistence on high-level talks with the Russians. But time has run out.

Still he is not altogether done. He continues a member of Parliament, an elder statesman often to be consulted by his successor, Sir Anthony Eden. If a new Big Three conference should materialize, many expect that the Churchill influence and backstage guidance will be prominent in the discussions.

What kind of figure is Sir Anthony Eden, Britain's new Prime Minister? See page 68.

WHITE HOUSE, 1954: Sir Winston still hoped for a last "real good try"

—Wide World, United Press, USN&WR

10 DOWNING STREET, 1955: Retirement was not likely to end his influence

BOOM IN ATOM—WHEN? HOW BIG?

It'll Be a Long Time Coming in Many Industries

Atomic age in industry is coming, but don't expect everything to change overnight.

Atom-powered planes, trains are years away. So is atom-fueled electricity for homes, industries.

In developing the atom, private industry barely has a foot in the door so far. It's still largely a Government proposition.

Investors are bidding up atom stocks, even though big earnings are not promised right away.

An idea is taking hold that a vast development of atomic power for private use lies just around the corner.

People are getting a vision of atomic airplanes that can circle the globe, of railroad locomotives powered by atomic energy, of atomic automobiles and atomic plants generating vast amounts of cheap electric power. This vision recently generated something of a boom in stocks of companies that might have any connection with atomic development.

The facts, however, disclose that the prospect raised in the public mind very probably is years away from realization. Atomic development today still is heavily centered in the United States Government. The Government has sunk 12 billion dollars in atomic plants and atomic weapons, and plans to spend another 3.5 billion through June 30, 1957. In contrast, private industry has spent about 5 million dollars on atomic work, and future plans are figured in hundreds of millions but not billions.

The Government still is the pioneer in adapting atomic energy for use in industry. Government money was used to build the atomic submarine now in operation. It is the Government that is pushing development of atomic-powered airplanes, atomic aircraft carriers and atomic "package" power plants. The atomic power plant being built near Pittsburgh is largely Government financed.

Private industry actually is moving rather warily into the atomic field. Consolidated Edison Company of New York plans to finance and build a power plant in the next few years, but it is not yet clear that this plant can operate at a profit. Four other projects are in the initial planning stages. They are sponsored by groups of power companies in New England, Nebraska, New York and the Midwest, and on the Pacific Coast.

Biggest gain now: experience. Other companies are engaged in manufacturing atomic equipment. Usually these are well-established firms, such as General Electric Company and Westinghouse Electric Corporation, and their atomic work is only a fraction of their total output. Some companies operate Government atomic plants under contract, but they are getting more experience than profit out of these tasks.

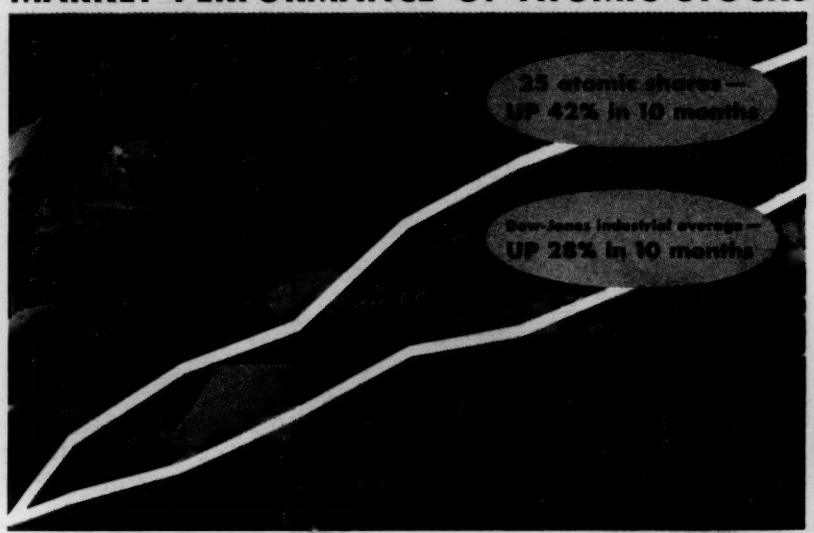
A typical example of investor reaction to atomic work is provided by Babcock & Wilcox Company. When this firm was selected to design and build the atomic plant for Consolidated Edison, its stock soared in price. Yet Babcock & Wilcox has told stockholders not to expect substantial profits from atomic work for 10 years or more. The high cost of research and equipment stands in the way of early earnings.

The public, however, seems inclined to bet rather heavily on the atomic future. The result of one study made in New York is shown in the chart on this page. A list of 25 stocks in companies that have some connection with atomic energy rose 42 per cent in price during a period when the Dow-Jones industrial average of 30 "blue chip" stocks was rising only 28 per cent.

Uranium fortunes: scarce. Mining for uranium—the chief source of atomic energy—is another activity that has brought on speculative fever. The uranium rush to the Colorado Plateau in the United States resembles the gold rushes to California and Alaska. Hundreds of companies have been formed, and thousands of shares of stock, some selling for only a few cents, have been offered. A few individuals have made fortunes in uranium, but, so far, total earnings from uranium mining in the U. S. are small.

Recently, larger firms have entered this field. Among these are: Atlas Corporation, Anaconda Copper Mining Company, Climax Molybdenum Company, Vanadium Corporation, Kerr-McGee Oil Industries, Homestake Mining Company, Union Carbide and Carbon Corporation and American Smelting and Refining Company. In none of these companies are earnings from uranium very large to

MARKET PERFORMANCE OF ATOMIC STOCKS



© 1955, By U. S. News Pub. Corp.

date, and in none of them is uranium mining the principal activity.

Even in uranium development, the Government takes a predominant part. The Atomic Energy Commission is the sole buyer of uranium ore and atomic materials. It guarantees a market and a fixed price for all uranium produced over the next seven years, but has no commitments beyond that time.

Actually, private industry has not yet gone beyond the experimental stage in atomic development. Babcock & Wilcox told stockholders that the most efficient design for an atomic power plant still is to be determined.

Production of electric power now is considered as the most promising field for large-scale use of atomic energy. But no one expects the American power industry to adopt atomic energy overnight. In fact, it is generally considered to be a 10 to 20-year proposition.

Here is the development program outlined by officials of the AEC:

- Next 10 years, the "induction phase," when industry will feel its way.
- Ten years hence, and lasting for another 10 years, the "expansion phase," when atomic power is to come into wider use.
- Twenty years from now, the "saturation phase," when atomic power will be an accepted fact and probably 60 per cent of all new installations will be atomic types.

One source, not the source. The chart on this page shows how atomic power is expected to grow in the field of generating electricity. At the moment, there are no commercial generating plants. In 10 years, atomic capacity is expected to reach 5 billion kilowatts, but to be little more than 2 per cent of the country's total generating capacity. By 1980, atomic capacity of 175 billion kilowatts is estimated. That is more than the total capacity today but, by 1980, is expected to be no more than 34 per cent of the total.

In other words, atomic energy is expected simply to grow along with conventional power plants using water power, coal and oil—not to replace them.

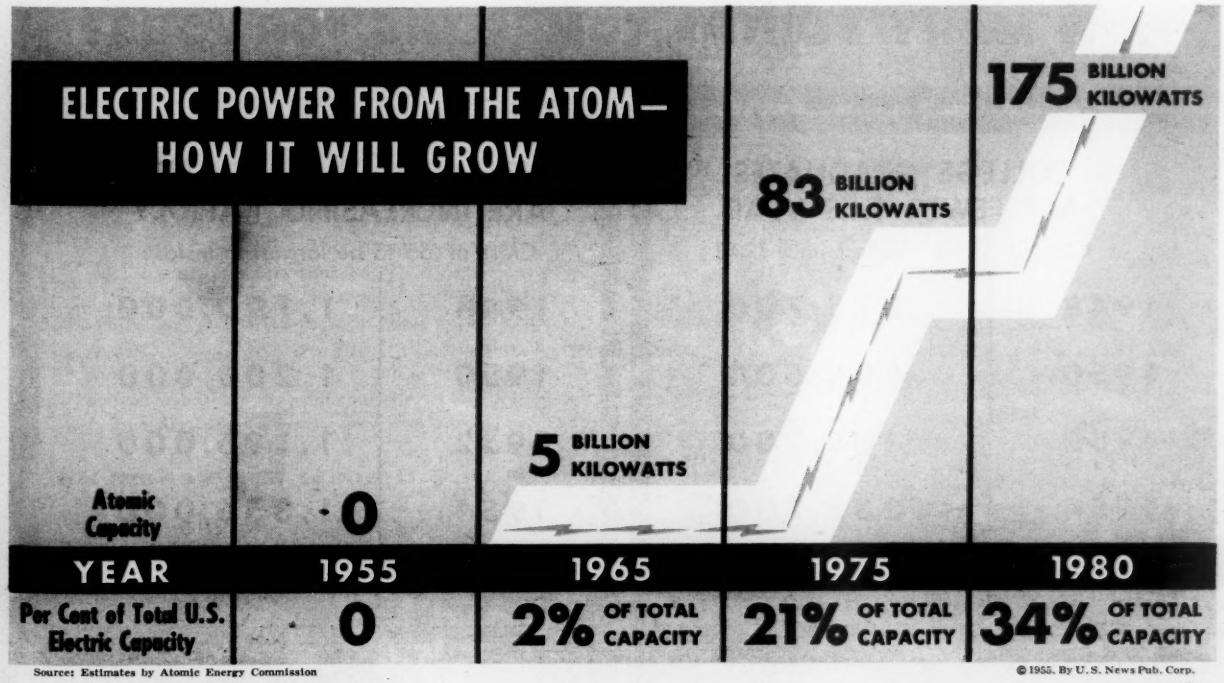
In some quarters, atomic energy is expected to advance more rapidly in other fields than in large-scale electric power. John Jay Hopkins, president of General Dynamics Corporation, builder of the *Nautilus*, the atomic submarine, suggests that atomic-powered ships may move into the forefront in this country. Mr. Hopkins pointed out, in an interview with *U. S. News & World Report* for March 18, 1955, that generating costs are low in the United States and that there is no pressing need for rapid development of atomic electric plants.

The situation abroad is different. In many other countries, generating costs by present means are high, and atomic power may be the answer. Atomic developments are being pushed in Great Britain, France and other countries. Wide use of small-scale "package plants," using atomic power, also may develop rather rapidly. One such plant already is being built for the armed forces, to be used at a remote base, where fuel supplies are costly and difficult to deliver. A number of American companies now are looking into the possibilities of building relatively small atomic reactors, to be used as "package plants" in places where electricity is either very costly or nonexistent.

Which reactor is best? All of these developments, however, will take time. The Atomic Energy Commission is experimenting with five different types of reactors and does not expect to complete these experiments for five years. The four recent proposals from private groups also are experimental in nature. Each of the groups intends to build a different kind of plant, and the first plant is not expected to be completed before 1957. Not until these plants have been built and tested will industry know which type is the most efficient and economical.

Industry, nevertheless, is prepared to go ahead in the atomic field. General Electric Company, for example, has a separate atomic-products division. Babcock & Wilcox also has a separate atomic division. Westinghouse is operating a plant that makes atomic equipment. Investment-banking firms are engaging special atomic consultants to advise on investment possibilities. A little more than a year ago, a mutual investment fund was organized to invest only in shares of companies that have atomic interests.

This is strong evidence of faith in peacetime atomic development, but the prospect is that it is not a quick-profit proposition.



Source: Estimates by Atomic Energy Commission

© 1955, By U. S. News Pub. Corp.

Choosing a Career—

WHERE JOBS WILL BE BEST IN FUTURE

This is a good year to graduate from high school or college.

Jobs are plentiful. Pay scales are up, too.

Best outlook is for the youth with special training. Engineers, scientists, technicians are in big demand.

Youths trooping out of high schools and colleges this spring are going to find plenty of jobs awaiting them, at pay that is slightly higher than in 1954.

For college graduates the job outlook is unusually promising. Talent scouts from industry are swarming to the campuses of the country in greater numbers than ever before, according to all reports.

Quite a few companies are raising their hiring standards a bit. Many larger corporations are interviewing only above-average students, for example. The general demand for college-trained men and women is increasing, however, with more small companies doing recruiting at the universities.

The result is something like a gold rush for this spring's college graduates.

Payoff for training. Once again, it's the technically-trained youth from the better-known school who gets the best offers. Young engineers are tendered pay of around $400 a month, on the average, or about 10 per cent more than last year. Starting salaries of $500 a month are fairly common for high-ranking engineer graduates.

Demand is brisk, too, for all kinds of science graduates—such as chemists and physicists, geologists and meteorologists.

Beginning lawyers, journalists, teachers, librarians, social workers, accountants and business-administration specialists also are said to be finding ready openings in their chosen fields in most areas. Starting salaries run $300 a month or more, in many cases.

The explanation for this banner outlook for the 1955 college graduate is not hard to find.

As the chart on this page shows, the class of '55 is the smallest college graduating class since 1948. This small class is to be graduated, moreover, in the midst of a strong business boom, from all present signs.

Few members of the class of '55, if any, will be going to work "for the experience," as did many a college graduate of the 1930s.

High-school graduates' prospects. What about the outlook for this year's high-school graduate? Is "automation" in factories, and the rising number of high-school graduates, a threat to job prospects for these younger people?

The answer is "no," according to most Government and private-employment experts.

The number of high-school graduates is not yet so great as to make their employment a big question mark.

The chart illustrates the fact that this year's high-school graduating class is to be the largest in U. S. history—about 1.4 million. That is nearly 25 per cent more

(Continued on page 46)

HOW MANY YOUTHS COMPETING FOR JOBS?

COLLEGE GRADUATES ARE FEWER THIS YEAR

Class of '55 is smallest since 1948

1948	318,700
1950	498,600
1952	403,200
1954	358,700
1955 (est.)	324,800

HIGH-SCHOOL GRADUATES ARE INCREASING RAPIDLY

Class of '55 to be largest in history

1948	1,190,000
1950	1,200,000
1952	1,196,000
1954	1,356,000
1955 (est.)	1,399,000

Source: U.S. Office of Education

© 1955, By U. S. News Pub. Corp.

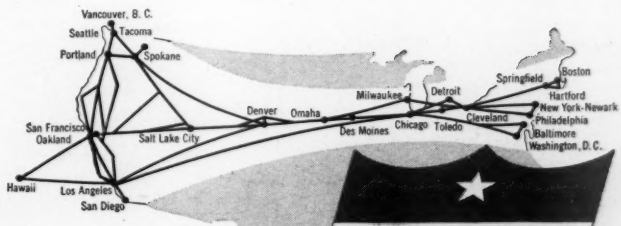
It's good business to leave cars at the airport

and travel on Mainliners—for 2¢ a mile less!

You save at least 2¢ a mile! Often more. For it costs only 6¢ a mile to fly First Class (4¢ a mile Air Coach) on United Air Lines. Compare that with the 8¢ a mile or more it costs for transportation by private automobile. Then consider the biggest saving of all—hours of salary time—and you can see why it pays to leave cars at the airport. United Air Lines will be glad to arrange for rental cars to be waiting at destinations. Through this fly-drive method many companies are now covering much more territory, more efficiently, more economically. Your nearest United Air Lines office is ready with details.

The money belt of the U.S.A. ⟶

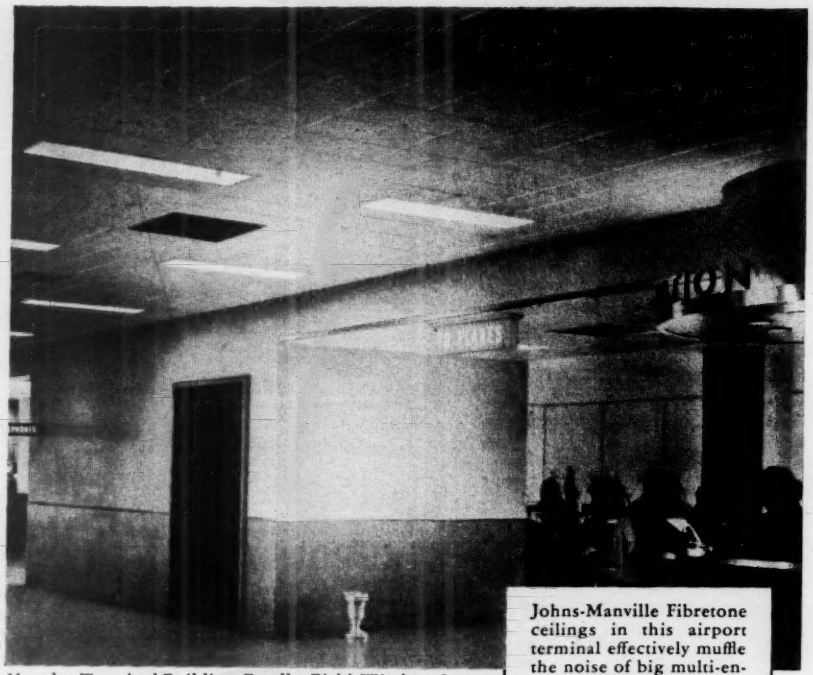
United serves 80 cities with daily "commuting" flights, including 10 of the 12 largest metropolitan areas—where much of the nation's business is centralized.



The Business Route of the Nation

UNITED AIR LINES

For reservations, call or write United or an Authorized Travel Agent. Use convenient Air Travel Cards.



Johns-Manville Fibretone ceilings in this airport terminal effectively muffle the noise of big multi-engine planes that take off from, or arrive at the field.

Murphey Terminal Building, Bradley Field, Windsor, Conn. Thompson and Barnum, New York City, Architects

How to change roaring take-offs to quiet departures!

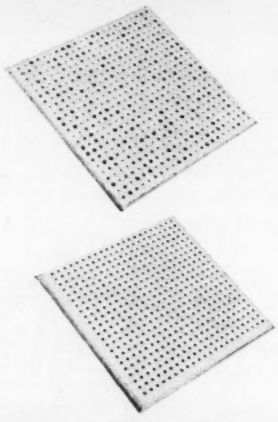
Johns-Manville FIBRETONE ACOUSTICAL UNITS

reduce disturbing noise at low cost

BECAUSE distracting noise is so harmful to efficiency in any activity, practically all new building specifications include acoustical ceilings for sound absorption. However, just because your present building was constructed before sound control became an established science, there is no reason for you to be handicapped by noise. You can have a Johns-Manville Fibretone* Acoustical Ceiling quickly installed over your present ceiling.

Johns-Manville Fibretone offers an acoustical ceiling which is highly efficient yet modest in cost. It consists of 12" square panels of sound-absorbing materials in which hundreds of small holes have been drilled. These holes act as "noise traps" where sound energy is dissipated. Fibretone is predecorated, can be painted and repainted, and is available with a flame-resistant finish.

For a complete survey by a J-M acoustical expert, or for a free book entitled "Sound Control," write Johns-Manville, Box 158, Dept. US, New York 16, N. Y. In Canada, write 565 Lakeshore Road East, Port Credit, Ontario. *Reg. U. S. Pat. Off.



Variety and Uniform Drilled Fibretone is easily installed over new or existing construction. Hundreds of small holes in the sound-absorbent panels increase acoustical efficiency.

Johns-Manville

40 years of leadership in the manufacture of acoustical materials

[*continued*] **WHERE JOBS WILL BE BEST**

graduates than came out of the high schools in 1946, for example.

The 1946 class, however, and succeeding annual "crops" from high schools in recent years, have all been abnormally small because they were composed of boys and girls born in the early 1930s, when birth rates were very low.

The 1955 graduating class seems large by comparison. Yet it actually includes only 6 per cent more youths than were graduated from high school in 1940—when the United States had 18 per cent fewer people, offered smaller variety of opportunities.

Most promising fields. What are the best fields to get into? That's the question most youths ask. But guidance officials

—USN&WR Photo

FOR YOUNG JOB SEEKERS . . .
. . . an unusually bright outlook

shy away from giving any hard and fast answers.

For the youths going to college, this outline of the professions and business occupations is provided.

Law. In a basic way, demand for lawyers' services appears to be expanding faster than the population is growing. Businesses now find that they need more legal advice as years pass, to steer their way through Government regulations, tax laws, pension rules, union contracts.

The great rise in home ownership has expanded the general public's need for legal aid, too, since handling of real estate nearly always involves papers and actions that require lawyers' help.

Those familiar with the field report that lawyers who specialize in tax, patent, administrative, corporation or in-

ternational law have the best chance of getting a job. It is the specialist, too, who commands the best beginning salary. But general legal training and experience may bring the greatest returns in the long run.

Engineering. With the increasing mechanization of industry and the home in this country, expanding prospects for electrical and mechanical engineers appear assured. Designing and caring for machines that are bringing "automation" to factories will raise demand for mechanical engineers.

Electronics, still in its infancy, will require much greater numbers of electrical engineers.

Growing use of synthetic materials raises industry's needs for chemical engineers. Aeronautical engineers are in great demand at this time, and aviation apparently has great potential growth ahead of it.

Salaries for engineers average between $7,000 and $8,000 a year for men with 10 years' experience.

Finance. Newest broad development in banking and finance is the increasing opportunity for college-trained women.

Nearly 50 per cent of all bank tellers are women now. Those with college backgrounds have much better chances than formerly to advance higher. A few years ago the woman banking executive was rare. Now about 7 per cent of all bank officers are women.

Opportunities for men in the banking field continue. Banks are recruiting young men graduates for executive trainees, as they have for years past.

Teaching. Demands for teachers will exceed supply for years, from all present signs. High-school mathematics and science teachers are especially scarce.

Teachers' salaries are inching up. Average starting salary for teachers now is around $2,800 to $3,000, for a nine-month school year, and it is up to around $3,400 in many urban areas. Level of salaries for experienced teachers still lags behind the pay for other professions, however.

Science. Increasing range and variety of research, in private laboratories and for the Federal Government, is creating a long-run demand for trained people in all branches of science. Added to this is the need for youths with science backgrounds to take over operating units of Government and industry in atomic energy. Weapons development keeps a small army of scientists busy now, also, and there is no sign of a letup in that field.

Physicists, geologists, biologists, oceanographers and meteorologists, to cite a few examples, now are scarce in relation to demand. In these fields, private-

(Continued on page 48)

THOUSANDS of shippers and receivers are getting the extra benefits of B&O Freight Service. Thanks to freight efficiencies—all along B&O lines—vital merchandise gets an extra measure of careful handling. These features support such service:

On the Spot Attention...through a crew of "trouble shooters" who solve difficult handling problems.

Customer Assistance...by cooperation with shippers to plan the most efficient loading and stowing procedures.

Education...by communicating to B&O personnel good shipping practices through the use of posters, bulletins, charts and motion pictures.

Testing...with use of "impact register" to determine safe switching speeds plus evaluation of loading and stowing methods.

Advanced Techniques...the latest methods in freight handling are continually introduced to B&O operating and traffic people.

Careful handling is only one aspect of better freight service. Millions of dollars have been spent in new facilities, equipment and motive power to provide speedier, safer and more dependable B&O service. ***Ask our man!***

Baltimore & Ohio Railroad

Constantly *doing things*—better!

CAN YOUR BUSINESS USE MORE CASH WORKING CAPITAL?

$25,000 OR MILLIONS

CALL COMMERCIAL CREDIT

EXPERIENCE has proved that COMMERCIAL CREDIT is usually able to provide considerably more cash than is available from other sources. Important also is the fact that COMMERCIAL CREDIT provides funds continuously (if needed) without negotiations for renewals.

Our method is *quick*, with funds usually available within 3 to 5 days, no matter where the user is located in the U.S. It is *simple*, functions automatically without interfering with ownership or management. It is *reasonable* in cost, as there are no preliminary expenses, no long-term fixed commitments, and our one charge is a tax deductible expense.

Knowledge of our method may make it possible for you to take advantage of business opportunities that might otherwise be missed. For additional facts, write or phone the nearest COMMERCIAL CREDIT CORPORATION office below. Just say, "I'd like more information about the plan described in *U. S. News & World Report.*"

BALTIMORE 1—200 W. Baltimore St. CHICAGO 6—222 W Adams St.
LOS ANGELES 14—722 S. Spring St. NEW YORK 17—100 E. 42nd St.
SAN FRANCISCO 6—112 Pine St.

A Service Available Through Subsidiaries of

COMMERCIAL CREDIT COMPANY

Capital and Surplus Over $175,000,000

[continued] **WHERE JOBS WILL BE BEST**

industry salaries average about $6,000 to $7,000 yearly for experienced men.

Business. Retail trade, services of all kinds are basically expanding areas of opportunity for youths to enter. University or business-college-trained youths have an edge over their competitors, and the youths with specialized training—such as in market research, statistics, personnel management, accounting or writing of advertising copy—get the best job offers.

Medicine. All branches of medicine are expanding and promise to continue to provide good job opportunities as the population ages and the general level of medical care rises.

It's still hard to get into a medical school, and careful planning is essential for the youth who wants to become a physician or dentist.

Health-service occupations are easier to enter, and there is growing demand for nurses, physical therapists, occupational therapists, pharmacists, dietitians, public-health nutritionists, laboratory technicians. Veterinary medicine is a promising field.

Social work. Growth of welfare and recreation agencies, public and private, has created a shortage at this time of people trained in handling case work and group activities. As the aged and retired population rises, social workers are expected to be needed in much greater numbers than before.

Hints for job seekers. As general advice to youths about to enter the job market, or pick a career to study for, vocational-guidance officials stress two main points.

"Extra training pays off" is their first hint. A U. S. Labor Department official says he always tells high-school seniors that at the least a few months in a business college, or a few courses in a technical school, at night if necessary, is an excellent investment.

This official, who has wide contacts with industry, says employers tend almost automatically to favor the youth who has shown enough initiative to strive for extra training.

"Adaptability pays off" is the second hint offered. U. S. industry is going through quite a revolution, employment experts note. Old skills and ways of doing things are being replaced by new approaches. At the same time, employers are more interested in retaining a worker once they have hired him, because of pension rights and so on.

Thus it is the workers who can change jobs, and skills, to keep up with new developments, who are most highly prized.

MEAD papers

For price lists and bulletins...

Printers and lithographers recommend Mead Moistrite Bond for interoffice memos, price lists, and sales bulletins. Its economy makes it the logical choice for high-speed press runs, whether by letterpress or offset lithography. Ask, too, about other low-priced Business Papers by Mead.

THE MEAD CORPORATION

"Paper Makers to America"

Sales Offices: The Mead Sales Company, 118 West First Street, Dayton 2, Ohio

New York • Chicago • Boston • Philadelphia • Atlanta

State vs. Church—Perón's New Fight

Priests Jailed—Schools Penalized—Meetings Banned

Behind Perón's crackdown on Catholics—

The dictator sees a threat to his power, and he's out to smash it quickly.

A small political party started the row. But any challenge is serious in Perón's eyes.

So Perón is using purges, oppression, other strong-arm tactics as his way of wiping out the opposition party before it can gain real strength.

BUENOS AIRES

President Juan D. Perón is warring on the biggest institution in Argentina, the Roman Catholic Church. His Government is jailing priests and withdrawing subsidies from Catholic schools.

In the face of Catholic opposition, divorce and prostitution have been legalized, and threats to separate Church and state have been heard.

The big reason for his campaign is this:

• The President will not stand for any effective opposition to his rule of Argentina. Years ago he whipped the press into line, hamstrung the old anti-Perón parties and liquidated independent labor unions. Now a new threat of opposition arises in the form of a Catholic-led Christian Democratic Party, and General Perón is giving it the full treatment.

A family row. This is happening in a country where the overwhelming majority of the 19 million inhabitants, including the President himself, are Catholics, and where Catholicism is the official religion.

Some Argentines say privately that, in this new fight, the President is using the tactics of a professional heavyweight against an amateur flyweight. The new movement, which calls itself the Republican Party for a Christian Democracy, appears to have little strength so far. But the President is not pulling his punches, and quite a number of people are getting hurt.

The fight started last November, after the President learned that several prominent Catholics had met in Santa Fé Province to consider organizing a new party and an affiliated labor movement. To General Perón, this development looked like a double danger. The new party might attract a considerable following. And a liberal labor movement might challenge the supremacy of his political right arm, the General Confederation of Labor.

The President and his henchmen have been working long and hard since then to keep these threats from becoming serious. He has purged provincial officials and faculty members of the University of Córdoba whom he suspected of being friendly to the new party. Government-controlled unions have passed resolutions denouncing supposed attempts by priests to "infiltrate" labor.

Split-up of Church, state? Newspapers that are mouthpieces for General Perón are waging a persistent campaign of propaganda against "meddling" by priests in politics and labor. One of these mouthpieces declares that "separation of Church and state and the elimination

(Continued on page 52)

—United Press

ANTICLERICAL SIGNS ARE DISPLAYED AT PERONIST RALLY

Signs say: "The Commercial Employes—Neither members of the clerical party nor Communists," "Put the Priests to Work" and "Perón Yes, Priests No"

TO MEN WHO NEED

(BUT THINK THEY CAN'T AFFORD)

$10,000

MORE LIFE INSURANCE...

New York Life has a wonderful new policy for you!

Now! For those who need at least $10,000 more life insurance—the new low-premium Whole Life policy that builds high cash values fast!

Here is a policy that offers you permanent life insurance in an "economy-size package." Because the minimum amount is $10,000, economies are possible which are passed along to you and make the premiums much lower than they would otherwise be. For a man of 35, for example, the annual premium for standard life insurance is only $23.59 per $1,000. And rates are correspondingly low all along the line!

And another important thing: Low as the premiums are, this new policy builds up *high cash values* quickly—equal to the full reserve after only seven years! That means you have a source of ready cash available for emergencies.

New York Life is a mutual company and pays dividends to policy owners only. The dividends payable on this policy can be used to reduce premium payments or allowed to accumulate to increase the policy's cash value or applied under other available options. The low premiums, high cash values, and dividends combine to make Whole Life unusually attractive from a net cost viewpoint.

There are many other outstanding features about this new policy which make it most attractive for both men and women. It is issued to age 70. An applicant who may not be able to qualify for standard insurance for reasons of health or occupation may be insurable under this policy at a higher rate. To prevent unintentional lapse, it offers automatic premium loan for two consecutive premiums. At most ages policies with waiver of premium and double indemnity benefits are available at slightly higher premium rates.

If you have been telling yourself that you ought to have more life insurance to protect your family or your business—but have been putting it off because you think you can't afford it—ask your New York Life agent for all the facts or mail the coupon below, today!

MAIL THIS COUPON NOW!

NEW YORK LIFE

INSURANCE COMPANY

The New York Life Agent in Your Community is a Good Man to Know

New York Life Insurance Company, Dept. U-11
51 Madison Avenue, New York 10, N. Y.

nylic

Please furnish me, without obligation, full information on your new, low-premium $10,000 Whole Life insurance policy.

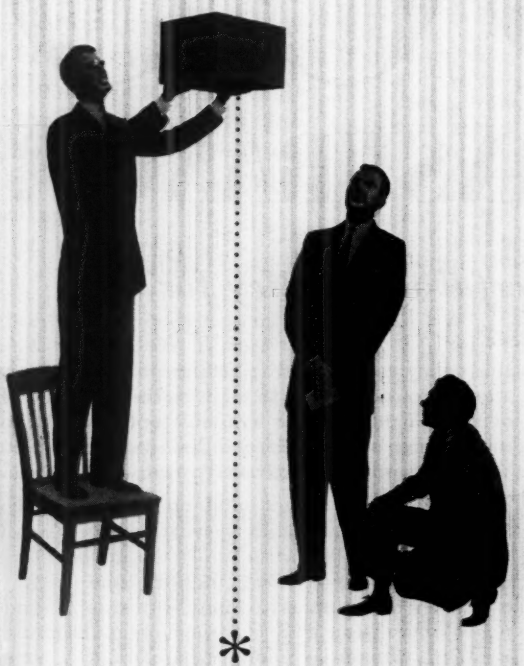
NAME_____ AGE_____

ADDRESS_____

CITY_____ ZONE_____

STATE_____

"Now, watch when I drop it..."



*

This is a customer's version of our own "drop test." Gives you an idea how your box stands up in transit.

And if it doesn't, it's time to talk to us. We make boxes that don't do *anything* when you drop them . . . except protect your product. Ask us. We'll show you.

HINDE & DAUCH

AUTHORITY ON PACKAGING • SANDUSKY, OHIO
12 FACTORIES • 40 SALES OFFICES

[*continued*] **STATE VS. CHURCH**

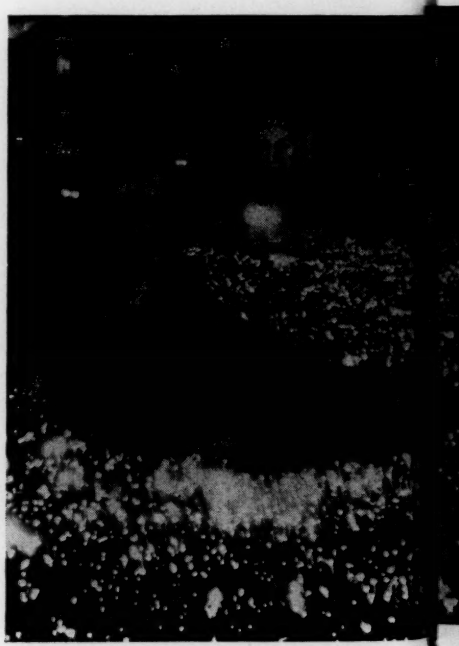
from the national budget of unproductive appropriations which are pocketed by the bishops would benefit every Argentine."

Over bitter opposition from the Church, the Perón Government has put three new measures into effect. Illegitimate children have been legitimatized. Divorce and the remarriage of divorced persons are authorized for the first time in Argentine history. And the law against prostitution has been repealed.

The Government has taken away the Church's privilege of designating the persons to teach religion in the public schools. Argentina's Catholic schools, which number nearly 1,000, are threatened with the loss of Government subsidies totaling 6.3 million dollars a year. More than 80 Catholic schools already have been denied their subsidies and are accused by the Government of fraud.

As a warning to stay out of politics, parish priests are arrested from time to time and held in jail for periods ranging from two or three days to three months. The police have prevented Catholics from holding their customary processions and outdoor meetings on days of religious significance.

President Perón has insisted that his quarrel is not with the Church, but with "bad priests" who mix into politics and labor. The President, who accepted the



IN MEMORY OF EVA PERON . . .
Many Catholics are irked . . .

active support of several members of the clergy in 1946, when he was running for his first term, says that if priests get into politics "we will know how to deal with them."

Evita plays a role. Quite a little water has gone over the dam since that 1946 campaign. Conservative Catholics who supported him then have not liked the President's fight on the "oligarchy" and his playing up to labor. Liberal Catholics consider him a dictator. There has been friction because the Government-supported Eva Perón Foundation moved in on some of the welfare activities of Catholic organizations.

Many Catholics, both priests and laymen, didn't like to hear the politicians call the President's wife, Mrs. Eva Perón, the "spiritual chief of the nation." Now that she is dead, they are irked by references to her as the "holiest Evita."

Meanwhile, a good many young priests have come along who oppose totalitarian government.

The President, thus, is concerned over the support that a Christian Democratic Party, if allowed to organize and operate freely, might be able to muster.

Since the President started to fight, leaders of the Catholic hierarchy in Argentina have talked with him several times in an attempt to reach an agreement. The fight still goes on, however, and Argentines now feel that the President has broadened it to the point of taking on the whole Catholic Church.

(Continued on page 54)

—United Press

. . . A TORCHLIGHT PARADE IS STAGED
. . . at references to "holiest Evita"

JUST WON'T RETIRE

Just "getting second wind" after 10 YEARS service!

• • •

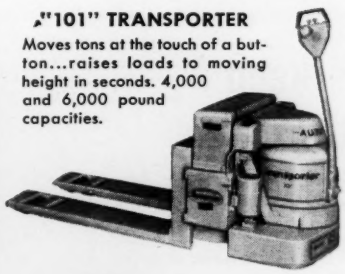
Written off 3 years ago!

10 year old Transporter that "just won't retire".

NOW COSTS ONLY 11¢ A DAY*

Not unusual...just a typical TRANSPORTER performance!

"101" TRANSPORTER
Moves tons at the touch of a button...raises loads to moving height in seconds. 4,000 and 6,000 pound capacities.



The TRANSPORTER shown above has worked *10 years,* 8 full hours a day, for a nationally known food company.

What makes this company happy, is knowing that the Transporter was written off in 7 years. **It now costs them about 11¢ a day battery charging cost.*

We believe that anyone who has to move or lift anything, is interested in the "long haul" economy Transporter *promises* and *delivers.* It is typical of the efficiency and economy of all electric-driven equipment manufactured by Automatic.

Why not let the Automatic representative show you that when it comes to handling your product, *nothing does it like an Automatic.* Send coupon.

FREE "Cost Cutter" Booklet
shows how to chart and analyze your own material handling operations. Send coupon.

Exclusive "Earn-Its-Own-Way" Plan makes it easy to lease an Automatic for as little as $1.53 a day, or to purchase your truck with a modest amount down and liberal deferred-payments!

Automatic®

71 West 87th Street, Department D-5
Chicago 20, Illinois

WORLD'S LARGEST EXCLUSIVE BUILDERS OF ELECTRIC-DRIVEN INDUSTRIAL TRUCKS

Without obligation, please send me free literature, case histories, and further information on the complete Automatic line, and "Earn-Its-Own-Way" Lease-Finance Plan.

Company Name.....

By.....**Title**.....

Street Address.....

City.....**Zone**.....**State**.....

NOW we keep a duplicator in the vice-president's office

It's AZOGRAPH—the new, easy way to make copies of written, typed and drawn material in a hurry—for example, copies of confidential memos, special reports and the like. Here is a process that is low in cost and it is clean—completely clean every step of the way—clean in the preparation of masters on through the production of copies.

For full information simply clip the *Information Request form to your letterhead and mail to A. B. Dick Company—5700 Touhy Avenue, Chicago 31, Illinois.

*Information Request
Dept. UN-455
See Text

A·B·DICK
THE FIRST NAME IN DUPLICATING

A. B. DICK ® and AZOGRAPH are registered trademarks of A. B. Dick Company.

[continued] **STATE VS. CHURCH**

Church hits back. The Church, for its part, has limited its open resistance in Argentina largely to sending letters of protest to the Government and to issuing a pastoral letter objecting to what it considers to be anti-Catholic actions of the Administration. But the daily newspaper of the Vatican, *L'Osservatore Romano,* charges: "The Perón state has its independent 'ethics' and does not tolerate other morals, including Christian morals. It must be declared that Argentina is a totalitarian state."

It is not clear yet whether the President will carry his campaign to the point of divorcing Church and state, as hinted by the pro-Perón press. In the past, published threats often have become Government policies. The feeling here is that, if the President decides to separate Church and state, he can get away with it. General Perón still is believed to have a majority of the Argentine people behind him.

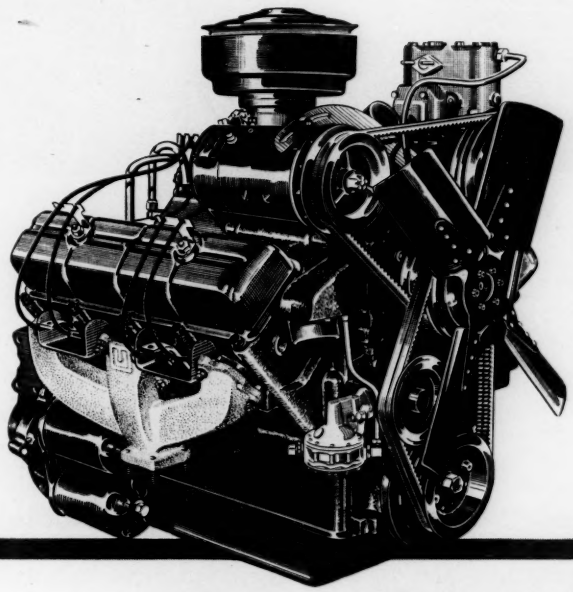
–Pix

JUAN D. PERON
. . . won't stand for opposition

There may be a letup in the anti-Catholic fight if, as now expected, the new party fails to register this year so as to take part in the national elections in 1958. The President has called his Ambassador home from the Vatican for "consultations" that may lead either to further peace conferences or to a clean break. The guess here is that any truce that may be reached will not prove to be a lasting peace unless the new party is crushed first, for General Perón is making it clear once more that he does not intend to put up with effective opposition.

100,000 MILE WARRANTY

now on all REO GOLD COMET ENGINES



When you buy Reo power, you buy *insured performance. Insured up to 100,000 miles or one year* by Reo's new iron-clad, factory-backed warranty.*

Reo's 100,000 Mile Warranty covers Reo's complete power range of rugged Gold Comet Engines—from gasoline and LP-Gas 6's to Reo's new 220 h.p. Gold Comet V-8's, the most powerful V-8 truck engines ever built.

Warranty covers engine models—255 OA, 292 OA, 331 OA, OH 160, OV 195, OV 220, OH 160 LPG, 255 OA LPG, 331 OA LPG. Available through Reo Factory Branches, Distributors and Dealers nationwide. Buy Reo . . . replace with Reo . . . and be *doubly* sure of performance.

** See your Reo representative today for complete information.*

REO MOTORS, INC.

SUBSIDIARY OF **BOHN** ALUMINUM AND BRASS CORPORATION

WATCH REO ROLL

Save days going–see more there...

TWA and ***AVIS***—perfect vacation combination!

Add days of fun to your vacation by flying there in hours, and still have a car for convenience after you arrive, with the TWA-AVIS Plane-Auto Plan. A swift TWA Constellation speeds you straight to your destination. No more costly meals hurriedly gulped along crowded highways – delicious complimentary dinners are served right at your comfortable lounge chairs. No more restless squirming for the small fry, either – the trip's over so fast, and there's so much to interest them. On arrival an AVIS car will be waiting at the airport, to drive as your own. The modest AVIS charges include gas, oil, maintenance and insurance—personal liability, property damage and $100 deductible collision – *all at no extra cost!*

Make your next vacation a TWA-AVIS trip. Include the whole family with TWA's Family Half-Fare Plan. One phone call to TWA reserves your TWA seats and your AVIS car.

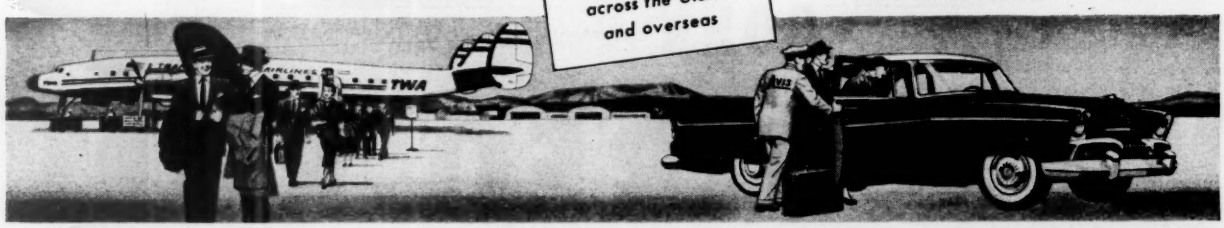
Only TWA connects 60 U.S. cities with 21 world centers in Europe, Africa and Asia.

FLY TWA
TRANS WORLD AIRLINES

The winning travel combination across the U.S.A. and overseas

DRIVE AVIS
RENT-A-CAR SYSTEM

Avis offices in over 300 cities in the U.S., Canada, Europe, Africa, Asia, Puerto Rico, Mexico and Hawaii.



Worldgram®

FROM THE CAPITALS OF THE WORLD

HONG KONG....SINGAPORE....LONDON....

>> The disease which blights all Communist dictatorships has hit Red China.

A purge now made public reveals a struggle for power in Peiping.

Kao Kang is out--a suicide, the Communists say. He was Manchuria's boss. The charge: trying to overthrow Mao Tse-tung's Politburo. That's public.

Real fight is not public yet. But those disciplined in the same purge show that Kao Kang was caught in a struggle for power between two of Mao's aides. That is what happens in Communist regimes when men like Mao get sick and weak.

>> The duel in Peiping is over for the time being. Public announcement of the purge shows that. But the split remains. Sooner or later more will be purged.

Liu Shao-chi, Secretary General of China's Communist Party, is one duelist. He is a doctrinaire Communist. He wants to speed up Communism in field and factory at home. Abroad he favors a tough policy, even at the risk of war.

Chou En-lai, the Premier, is a relative moderate. He says Red China must win by diplomacy, not war. He sides with generals who fear war with U.S.

Net result of the purge may be to speed up socialism at home despite farm opposition. Abroad, it may have no immediate effect. But the purge serves notice on the world that Red China, like Soviet Russia, has trouble at the top.

>> Inside the Kremlin the struggle for supreme power still rages.

Georgi Malenkov, once Premier, isn't dead yet. That sets a record.

Nikita Khrushchev, party boss, isn't secure as long as Malenkov lives.

Marshal Nikolai Bulganin, now the Premier, still seems to be only a "front" man for somebody. Question now is, for whom--Khrushchev or Malenkov?

>> Malenkov, roly-poly master of intrigue, quit February 8. He ate humble pie. He denounced himself as "inexperienced." He became Minister of Electric Power Stations and one of several Deputy Premiers, not even a First Deputy Premier.

Like a ghost at the feast, Malenkov continued to sit behind the new leaders at public functions. Then "Izvestia" denounced things he had said as Premier. And "Pravda" denounced the work of his Ministry of Electric Power Stations. Finally he was missing--"touring Urals." It seemed the end for Georgi.

Not so. Just recently Malenkov appeared at an official party, laughing at Bulganin's elbow. At Bulganin's other elbow was Khrushchev, not so gay.

>> Here's an informed guess by Western experts on how Malenkov stays alive:

Inside the Presidium, where a few party leaders rule the Soviet Union, Malenkov has a new job, a big job. It is the Soviet atomic-energy program.

Malenkov's assignment is to speed up the output of A-bombs, H-bombs, to get

(over)

atomic energy for industrial power. He is supposed to close the gap between the Soviet Union and the U.S. in the nuclear field. He is to dig canals overnight, make the Arctic tundra flower, change the course of rivers with atomic energy.

Maybe it's an impossible job. But it may keep Malenkov in business, alive, watching for a chance to prepare a booby trap for Khrushchev.

>> Build-up for a 29-nation, Afro-Asian conference at Bandung, Indonesia, is well under way. The conference opens in mid-April with few holds barred.

Nehru of India hopes to keep the conference "neutral," Nehru style. That means under Nehru's wing, ready to adopt the resolutions Nehru likes.

Red China is out to run away with the conference. That is not likely.

U.S. is not invited, but will have friends present. Turkey, the Philippines, Pakistan and Thailand will be watching for Communist maneuvers.

All present will denounce colonialism. Arabs thinking of North Africa and Asians thinking of Indo-China will make France the villain of the piece.

>> In the preliminary bouts, before Bandung, this is what happened:

A conference in New Delhi, staged by Communists, was a bust. It was to be a "nonpartisan" conference. Those present: partisans from Red China, Soviet Russia, Communist Outer Mongolia, Communist North Korea and Communist Northern Vietnam. An Indian delegation from Bombay called it a "Communist front" show and went home. Five delegations never turned up. That hurt the Communists.

An election in Singapore put an anticolonial party in power. The winners are not Communists, but moderate socialists who want home rule in a hurry for Singapore and Malaya too. There will be agitation against U.S.-British plans to make Singapore a base for defending Southeast Asia. That hurts non-Communists.

>> Here's the outlook for Great Britain, with Sir Winston out.....

Conservatives, even without Churchill, seem to have the edge with voters.

Sir Anthony Eden, as Prime Minister, has considerable freedom of action.

County and city elections, just held, show a real swing away from socialism.

Professional politicians, expert economists, urge Sir Anthony to call an early general election. Strike, they say, while the iron is hot--do not take a chance with a long summer of business risks and uncertainties.

>> Britain's new leader inclines toward action, but listens carefully to other advice. Sir Anthony need not make up his mind until taxes are studied and budget policies are set. He may favor the autumn, not the spring, for votes.

Wheelhorses are fearful of elections. But R. A. Butler and Harold Macmillan, Eden's top aides, say: "Go to the country and the country will come to us."

>> Socialists cannot be crossed off though their Labor Party is battered by rivalries. Clement Attlee, former Prime Minister, talks of touring Canada late this month but says he is eager for a test of strength at home. Aneurin Bevan, left-wing rebel, says he will take his oratory to the villages for Labor.

Campaign ammunition is building high on both sides. Socialists regard it as a "food and tea" campaign and they will talk of high prices. For Conservatives there will be boasts of better housing, higher wages, better living.

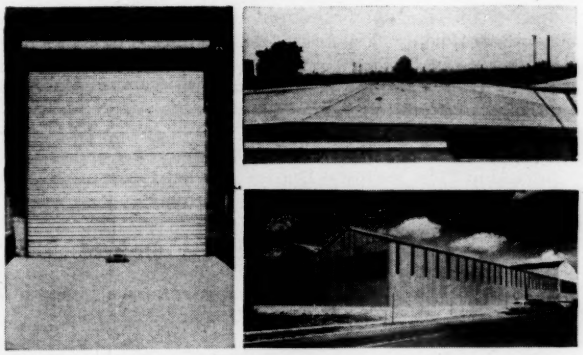
Conservative margin in the House of Commons is only 18 votes. Best guess by independents is that any election will be "a very close-run thing."

Armco's new ALUMINIZED STEEL

combines strength of steel with aluminum's corrosion resistance

Armco has developed a new aluminum-coated steel for outdoor service. Tests show its special aluminum coating gives at least *three times longer service* than a standard commercial coating on galvanized steel in products exposed to atmospheric corrosion.

This 2-in-1 metal is made by coating sheet steel on both sides with molten aluminum. Called Armco ALUMINIZED STEEL (Type 2), it combines the great strength of steel with the corrosion resisting properties of aluminum.



ALUMINIZED (Type 2) stands up to weather. Resistance to atmospheric corrosion makes ALUMINIZED (Type 2) an ideal metal for rolling doors, roof deck, buildings and similar applications.

ALUMINIZED (Type 2) has these other important advantages:

It reflects about 80% of radiant heat thrown against it.

It resists heat damage far better than metals with low melting points.

Manufacturers and contractors are using this new coated steel for a wide variety of products and construction applications. Chances are that some of *your* products can benefit from the advantages of Armco ALUMINIZED STEEL.

Just fill in and mail the coupon for complete information.

ARMCO STEEL CORPORATION, 285-A Curtis St., Middletown, Ohio

Please send me details about Armco's ALUMINIZED STEEL (Type 2).

We are interested in ALUMINIZED for:_____

*Name*_____

*Firm*_____

*Address*_____

*City*_____ *Zone*____ *State*_____

ARMCO STEEL CORPORATION MIDDLETOWN, OHIO

SPECIAL STEELS

SHEFFIELD STEEL DIVISION · ARMCO DRAINAGE & METAL PRODUCTS, INC. · THE ARMCO INTERNATIONAL CORPORATION

WHOSE IDEA TO BUY RUSSIA'S AID?

Pro and Con on General MacArthur's Role Before Yalta

Did Gen. Douglas MacArthur suggest big concessions to Russia before Yalta?

Latest controvery concerns the period just before the Yalta Conference, held Feb. 4 to 11, 1945.

Senator Lehman started it. He says that General MacArthur "urgently recommended" bringing Russia into the war against Japan. The Senator quotes an entry from the diaries of the late James Forrestal, dated two weeks after the Yalta meeting.

General MacArthur replies that he was not consulted before Yalta. Accuracy of the Forrestal diaries is challenged.

Army documents covering the period are undergoing security clearance. General MacArthur wants them all released. On these pages you get the story, blow by blow.

Following are extracts from a speech in the U. S. Senate March 22, 1955, by Senator Herbert H. Lehman (Dem.), of New York:

General MacArthur strongly favored and urgently recommended that Soviet Russia be involved in the war against Japan. It was estimated that an invasion of Japan proper would involve more than a million American casualties. To save American lives, it was deemed essential to get Russia into the war. That was the first object of our diplomacy in 1944, just as the first object of our diplomacy in 1942 and 1943 was to keep Russia in the war against Germany.

° ° °

Now I wish to quote from the diary of the Secretary of Defense, James Forrestal, on page 31:

General MacArthur then urged a Russian campaign in Manchuria "of such proportions as to pin down a very large part of the Japanese Army. He (MacArthur) expressed doubt that the use of anything less than 60 divisions by the Russians would be sufficient."

"The Forrestal Diaries," edited by Walter Millis and published by the Viking Press, shows the following entry, from which Senator Lehman quoted, dated three weeks after the week-long Yalta Conference began, with deletions as made by Mr. Millis:

After visiting naval installations and talking with commanders in that area he [Forrestal] went on to MacArthur's headquarters in Manila, where Japanese resistance had ended only five days before.

Wednesday, 28 February 1945

. . . On the . . . question of the war against Japan and our objectives vis-à-vis Japan afterward, he (MacArthur) expressed the view that the help of the Chinese would be negligible. He felt that we should secure the commitment of the Russians to active and vigorous prosecution of a campaign against the Japanese in Manchukuo of such proportions as to pin down a very large part of the Japanese army; that once this campaign was engaged we should then launch an attack on the home islands, giving, as he expressed it, the *coup de main* from the rear while substantial portions of the military power of Japan were engaged on the mainland of Asia.

. . . He said he felt that our strength should be reserved for use in the Japanese mainland, on the plain of Tokyo, and that this could not be done without the assurance that the Japanese would be heavily engaged by the Russians in Manchuria. He expressed doubt that the use of anything less than sixty divisions by the Russians would be sufficient. He saw little chance that the Russians could get an additional thirty divisions activated in Manchuria in less than six months' time. He said that he had seen the lists of materials asked for by the Russians and that they did not comprise what would be required for an army of the size indicated. . . .

His conversation indicated a fear that the Russian plan would be to try to persuade us into a campaign on the mainland of China which would be more costly than on the home islands, and at the end of which Stalin could increase his prestige in Asia by pointing out that he had to come in and assure the victory. . . .

Maj. Gen. Courtney Whitney, aide to General MacArthur, in response to reporters' questions, said on March 23, 1955:

Apparently there was a mistake in editing . . . What is printed in "The Forrestal Diaries" is what Forrestal told MacArthur, not what MacArthur told Forrestal.

General MacArthur's Denial

Following in full text is a statement issued March 23, 1955, by General of the Army Douglas MacArthur:

Neither directly nor indirectly did I have the slightest connection with the Yalta Conference. My views on the advisability of Soviet Russia entering the war at that late date were never solicited. Neither I nor any member of my command was present at the Yalta Conference and I personally did not even know it was being held.

The imminent collapse of Japan was clearly apparent several months before Yalta when we seized the Philippines. All of my dispatches and reports clearly enunciated this viewpoint. For instance, as early as Sept. 21, 1944, I stated that the campaign was "entering its decisive phase" and that Japan had "neither the imagination nor the foresighted ability

. . . "Vital concessions would have seemed to me fantastic"

to continue total war," and that "defeat now stares her in the face."

One month later, on October 20, I further reported:

"The strategic result of capturing the Philippines will be decisive. The enemy's so-called Greater East Asia co-prosperity sphere will be cut in two. His conquered empire to the south comprising the Dutch East Indies and the British possessions of Borneo, Malaya and Burma will be severed from Japan proper. The great flow of transportation and supply upon which Japan's vital war industry depends will be cut, as will the counter supply of his forces to the south. A half-million men will be cut off without hope of support and with ultimate destruction at the leisure of the Allies a certainty. In broad strategic conception the defensive line of the Japanese, which extends along the coast of Asia from the Japan islands through Formosa, the Philippines, the East Indies to Singapore and Burma, will be pierced in the center, permitting an envelopment to the south and to the north. Either flank will be vulnerable and can be rolled up at will."

All my reports from that time on presaged the imminent collapse of Japan. Discussions were even held at my headquarters concerning the possibility of ending the war with Japan before its termination in Europe.

As a matter of fact the time for Soviet Russia to have entered the war against Japan was after the Japanese attack upon Pearl Harbor. At that time the German onslaught had been stopped on the eastern front and a great counter-offensive of the Soviet armies was well under way. Had the Soviet then brought combat pressure on Japan in the Far East, Japan would have been unable to conduct operations on two fronts. Had she been engaged in the north, the southern front in all probability never would have been opened.

This would have saved the Philippines, Malaya and the Dutch East Indies and prevented the Japanese thrust out into the Pacific to the very threshold of Australia. Millions of lives and untold agonies would have been spared by such a strategic course which I recommended most urgently in a message to Secretary of War [Henry L.] Stimson on or about Dec. 13, 1941. I received no reply.

Had my views been requested with reference to Yalta I would most emphatically have recommended against bringing the Soviet into the Pacific war at that late date. To have made vital concessions for such a purpose would have seemed to me fantastic.

I have no slightest desire to be involved in the debates now going on and am making this statement solely to correct certain misinterpretations which have been advanced through error.

New Yalta Controversy: The Key Dates

1943, Nov. 28-Dec. 1: *Teheran*— Roosevelt, Churchill, Stalin met for talks. Stalin promised to enter the war against Japan after Germany was defeated. Asking no price, Stalin said: "Then, by our common front, we shall win."

1945, Feb. 4-11: *Yalta*—14 months later, Roosevelt, Churchill, Stalin met for talks. Vast concessions were made to Russia to bring her into the war against Japan. Stalin again promised to enter war. At that time, MacArthur's troops were seizing control of Manila, Eisenhower's troops had just finished fighting the Battle of the Bulge, Russia's Zhukov was driving across Poland and East Prussia.

1945, Feb. 28: Two weeks after Yalta Conference, dispute over MacArthur role got its start. The late James Forrestal, then Secretary of the Navy, lunched with General MacArthur in the Philippines. Dispute is over conversation at that lunch.

Reply by Editor of "Diaries"

Walter Millis, editor of "The Forrestal Diaries," replied in a letter to the New York "Herald Tribune" dated March 24:

A passage from "The Forrestal Diaries" has been cited to dispute General MacArthur's present contention that he was not in favor of bringing the Soviet Union into the war against Japan at the time of the Yalta Conference. In response to this, General MacArthur's aide, Maj. Gen. Courtney Whitney, has been quoted as saying "apparently there was a mistake in editing" of "The Forrestal Diaries" and "What is printed in 'The Forrestal Diaries' is what Forrestal told MacArthur, not what MacArthur told Forrestal."

As I edited the diaries on behalf of the *Herald Tribune*, I dislike to let this imputation stand. The passages that appear in the book were correctly transcribed from Forrestal's dictated diary notes, while the suggestion that they represent "what Forrestal told MacArthur" is preposterous on the face of it. Forrestal would have had no reason to make such remarks to the General on the scene, even if he had entertained these views. Moreover, it is only rarely throughout the whole diaries that he put his own views on paper; in reporting such conversations as this one, he almost uniformly confined himself to recording what he understood the other person to say.

A Newspaper Comment

In an editorial on March 25, the Washington "Post and Times Herald" called General MacArthur's statement a "pious disavowal and magnificent exercise of hindsight." Extracts from the editorial follow:

. . . Two points may be made:

1. The Forrestal Diaries contain an entry written by the then Secretary of the Navy Forrestal on February 28, 1945,

. . . "The General felt that Japan was approaching collapse"

16 days after the Yalta conference ended. Mr. Forrestal wrote of his meeting with General MacArthur during a current inspection tour of the Pacific. . . .

° ° °

General MacArthur's spokesman, General Whitney, says that . . . "apparently there was a mistake in editing" the Forrestal Diaries. Walter Millis, the editor of the Diaries, confirms that there was no mistake and that "the quotation as it appears in the book is an exact reproduction of Forrestal's own diary notes." What is at issue is Mr. Forrestal's records against General MacArthur's recollections.

2. Whatever his views at the time of Yalta, General MacArthur is known to have sent messages to the Joint Chiefs of Staff during World War II pleading for concessions to get Russia into the Japanese war. . . .

° ° °

It is sad to see an honored general engaging in this sort of effort to rewrite history. . . .

The General's Aide Answers

General Whitney, aide to General MacArthur, wrote as follows to the editor of the Washington "Post and Times Herald" on March 31:

DEAR SIR:

I have just received a copy of your editorial of March 25, 1955 entitled, "MacArthur and the Record." This editorial completely ignores General MacArthur's official reports of September 21, 1944 and October 20 thereafter, made five and four months respectively before the Yalta conference, quoted by him in his public statement. . . .

There can be no doubt in any reasonable mind, after reading such reports, that the General felt most strongly that Japan was approaching collapse from the pressure of allied arms long prior to the Yalta conference with its tragic decisions. Indeed, it was in full support of such a premise that you yourself editorially noted in the issue of your paper of April 11, 1952 that: "Certainly at his (MacArthur's) Pearl Harbor conference with President Roosevelt in July, 1944 (*seven* months before the Yalta conference) General MacArthur is held to have estimated that Japan was virtually through; but one of the mysteries of this period is that most of the high brass held to that opinion . . ."

In view of your concession that you knew that General MacArthur advanced the estimate that "Japan was virtually through" at the Pearl Harbor conference with President Roosevelt in July, 1944, how can you possibly now justify the allegation contained in your present editorial that his public statement of March 23 last which he documented by quoting from some of his official reports to that same effect was a "pious disavowal and magnificent exercise of hindsight."

In support of the reversal of your editorial opinion you lean heavily upon (1) the anonymously supported statement that "General MacArthur is known to have sent messages to the Joint Chiefs of Staff during World War II pleading for concessions to get Russia into the Japanese war"; and (2) an entry in the Forrestal diary concerning an alleged conversation between General MacArthur and Secretary Forrestal two weeks after the Yalta conference.

You cite as witnesses to your first point certain unnamed "men who have seen the file." I have only recently finished a review of General MacArthur's most important messages to the Joint Chiefs of Staff during World War II and consequently can say unequivocally that there is no truth to the impression, resting upon anonymous sources, which you try

MacArthur "Shocked" at Yalta Deal, Liaison Officer Recalls

The man who served as liaison officer between the Chief of Staff at Washington, Gen. George C. Marshall, and Gen. Douglas MacArthur in the Pacific was Brig. Gen. William L. Ritchie, now U. S. Air Force, retired.

General Ritchie recalls only three references by General MacArthur to Russia and her part in the war.

"The first reference," General Ritchie told *U. S. News & World Report*, "was in the autumn of 1942. The Germans at that time were knocking at the gates of Stalingrad, and Russia appeared to be in a bad way. General MacArthur expressed the hope that the Japanese would not launch an attack on Siberia and thereby force the Russians to hold back troops to protect their flank in Asia, instead of concentrating wholly on the war in the West.

"The second reference was in the fall of 1943. General MacArthur had started his offensive against the Japanese in New Guinea. He expressed a hope that the Russians would remain enough of a military threat in the Manchurian area to prevent the Japanese from sending reinforcements from there to the battle zone in the Southwest Pacific.

"The third time Russia was referred to by General MacArthur was in August of 1945. I had gone to the Southwest Pacific theater to brief the General on results of the Potsdam Conference. The subject of Yalta came up. General MacArthur was shocked at the concessions given and kept pressing for details. Again and again he asked: 'What else? What other concessions were given?' After he fully realized that the Russians had agreed definitely to come into the war against Japan, he turned to details of participation. General MacArthur wanted to know when they would attack, where they would attack. He wanted to know what could be done to get them going as soon as possible."

General Ritchie's liaison work with General MacArthur is described in the official War Department history, "Washington Command Post, the Operations Division," as follows:

"Of the various officers sent to the Southwest Pacific at one time or another, the one who established particularly close relations with General MacArthur was Colonel Ritchie. In 1945, General MacArthur voiced his 'appreciation that the Chief of Staff would send a staff officer to give complete and frank answers to his questions about matters in Washington and the war in other theaters'."

. . . "Diary entry both illogical and inconceivable"

to create. To the contrary, the MacArthur message file, apart from the message to Secretary Stimson during the first week of the war which he referred to in his statement of March 23, makes no mention of the entry of Soviet Russia into the war against Japan.

I fully agree with you that the pertinent file should be opened to the public. Should it be, it would clearly disclose that if anyone is trying to "re-write history," a charge which your editorial so recklessly makes, it is not General MacArthur but rather those who, behind the shield of anonymity, attempt to read into the record things which are clearly not there.

In view of your reliance upon an entry in the Forrestal diary to support your thesis that the Yalta decisions were based upon General MacArthur's prior recommendations, I have for the first time secured and read the entry in question, which incidentally in its published form indicates a number of unexplained deletions, and have gained therefrom and from a letter written by the editor of the "Forrestal Diaries" under date of March 24, 1955 to the New York *Herald Tribune* the following startling information which raises strong doubt both as to the author of the entry and its authenticity.

In the first place, he concedes that such entry was not made by the hand of Secretary Forrestal but was taken from what is alleged to be his "dictated diary notes." The normal proof of the authenticity of a diary entry, testimony of the author himself or evidence that it is in his own handwriting, is therefore non-existent. For the one said to have authored the entry is now dead and the entry itself was not recorded by his own hand. It is necessary therefore to look further for proof of authenticity.

In so doing I have been astonished to find that in the entry the conversation which it purports to record took place on "Wednesday, 28 February 1945" at "MacArthur's headquarters in Manila, where Japanese resistance had ended only five days before."

This is not true. On February 28, 1945 General MacArthur's headquarters was not in Manila but at Tarlac, about one hundred miles to the north. On that date the fighting was still raging in Manila where enemy resistance was not overcome until approximately a week later; Secretary Forrestal was not in the city of Manila on that date or on any other occasion while the Philippine campaign was in progress nor obviously did he have any conversation with General MacArthur in the city of Manila during that period.

Secretary Forrestal did pay a casual courtesy visit to General MacArthur's headquarters in Tarlac during the latter part of February. I recall his visit very well for I was there at the time. He arrived just before luncheon, cleaned up in General MacArthur's quarters, and sat down at the senior officers' mess over which General MacArthur presided. The conversation, largely guided by his questions, dealt almost exclusively with the Philippine campaign as to which he was effusive in his expression of praise, laughingly telling General MacArthur at one point that he had won a fifty dollar bet on the speed of his advance down the Central Luzon Plain. Neither the decisions at Yalta nor the entry of Soviet Russia into the war against Japan were even alluded to. He departed as soon as the luncheon was over.

General MacArthur himself has just read the statements attributed to him by the diary entry and not only flatly denies that he had any such conversation with Secretary Forrestal but ridicules the idea. As he points out, at the time of Secretary Forrestal's visit, his (MacArthur's) theater of operations did not extend north of the Philippines and he was then planning operations to roll up the enemy's positions to the south including the southern half of the Philippine Islands and Borneo—operations which engaged him for the following four or five months. As a matter of fact, before such southern operations were concluded Washington considered extending his operations in that direction by an attack upon Hainan Island off the coast of Indo-China. Upon his strong advice this plan was abandoned. Then the proposal was explored in Washington to turn over his Sixth and Eighth armies to Admiral Nimitz for operations within the Central Pacific theater which embraced Japan proper, leaving him (MacArthur) with four divisions to secure the Philippines, all of which tends to show the tenor of Washington thinking at the time of Secretary Forrestal's visit and to delimit the planning area in which General MacArthur's advice was sought during that period.

Quite obviously, General MacArthur's headquarters gave no thought to planning operations in Admiral Nimitz's Theater, such as the attack upon Japan, until sometime after Secretary Forrestal's visit, when General MacArthur was selected to command the invasion of the Japanese home Islands and charged with the attendant planning responsibility. As a consequence the statements attributed to him in the diary entry are both illogical and inconceivable.

Even more irrational is the idea advanced that he had been furnished the details of supply features of the Soviet armies and was therefore able intelligently to discuss the same and make estimates thereon. Such an idea is utterly ridiculous on its face, as all supply matters of this nature were concentrated under the immediate control of General Somervell in Washington and could not possibly have been referred to him or any other American Theater Commander.

What then is there left to support the authenticity of the diary entry under discussion? The place fixed as the site of the alleged conversation is belied by the facts of history as is the context of the illogical statements therein attributed to General MacArthur. Had Secretary Forrestal himself dictated the notes from which the entry was transcribed, presumably he would not have erred in recording the site of the event he was describing.

Until I had actually seen and read the entry myself I was inclined toward the rather charitable viewpoint that in the course of editing the identities of the conversants had somehow become confused and transposed, but study of the entry and the related facts strongly condemns its authenticity. This is not to impugn the integrity of the editor. He presumably edited the papers as they came before him. But it does suggest that either the diary notes were dictated by someone other than Secretary Forrestal during the years intervening between the event and the process of editing for publication; or that Secretary Forrestal, if he did indeed dictate the notes was even then suffering from a mental disorder which brought him under the delusion that things harbored in his own mind came from the mind of another—a mental disorder which ultimately led to his death.

Very truly yours,
COURTNEY WHITNEY

The Army Takes Action

The Department of the Army released the following statement on April 2:

The Army, in response to requests of the press which were occasioned by General MacArthur's statements, has dug out the basic papers and submitted them to the Department of Defense for review and security clearance.

This review is to be done with a view toward responding

. . . "Chiefs of Staff at complete variance with my estimate"

to requests for reference to basic source material after all security decisions have been worked out.

MacArthur Request: "Release in Full"

Following is full text of a statement issued by General MacArthur April 3:

I have been asked by the press to clarify certain points of discussion with reference to any alleged connection I may have had with the Yalta decisions. In the public discussions confusion has arisen because of a failure to distinguish between the events leading up to the Yalta decisions and those which followed. The former solely and conclusively determined the decisions taken at Yalta; the latter merely dealt with their implementation.

Before Yalta the problem revolved around the question of whether or not Soviet Russia should be induced to enter the war against Japan. When an affirmative decision was reached by the heads of state meeting at Yalta, the basic problem was conclusively resolved, leaving for study and discussion only the corollary professional question of the best utilization of the Soviet forces.

A clear differentiation between these two entirely different problems, representing two different situations and conditions, is essential to an evaluation of the responsibilities involved. The discussions after Yalta embracing implementing studies and plans can have no possible relevancy to the basic issue of responsibility for the Yalta decisions themselves.

As I have previously stated, I had absolutely no connection, directly or indirectly, with the Yalta Conference. Neither I nor any member of my staff was present and I was not even informed of its pendency. My views upon the need for Soviet Russia's entry into the war against Japan were never requested and it was only months later that I heard of the territorial and other concessions which had been used as an inducement.

Military advice given the heads of state at Yalta was given by the Joint Chiefs of Staff of the respective Governments, who were present and acted solely upon their own responsibility. The estimate of these Chiefs of Staff that the war with Japan would last for 18 months after the Soviet entered was at complete variance with my own publicly announced estimate of Japan's growing weakness.

On Sept. 21, 1944, I reported that the campaign was "entering its decisive phase" and that Japan had "neither the imagination nor the foresighted ability to continue total war" and that "defeat now stares her (Japan) in the face." One month later I reported, on October 20, that after securing the Philippines, "in broad strategic conception the defensive line of the Japanese, which extends along the coast of Asia from the Japan islands through Formosa, the Philippines, the East Indies to Singapore and Burma, will be pierced in the center, permitting an envelopment to the south and the north. Either flank will be vulnerable and can be rolled up at will."

The future development of the war fully confirmed my estimate of Japan's growing military weakness. The wide disparity between these two estimates provides the measure of the complete lack of any influence I may have had upon the Yalta decisions. Indeed, so confirmed was my belief in Japan's early defeat that discussions were held at my headquarters concerning the possibility of finishing off Japan before the close of the European war.

It will be recalled in this connection that one of the Soviet conditions was that it would not enter the Japanese war until three months after the European war had ended. Not only were discussions held at my headquarters, but the Eighth Army of my command drew up plans along those general lines. Its brilliant young chief of staff, Gen. Clovis Byers, now head of the National War College at Fort McNair, only recently in this connection said in a press interview that he personally was so convinced the Japanese were near the end of their rope that in January on Leyte he asked the Eighth Army commander for permission to do the staff work for a peaceful occupation of Japan without a fight.

He said: "We began full staff work in the middle of January [the month before the Yalta Conference] after General MacArthur's headquarters was fully advised of the project. The whole plan, complete with all the lengthy annexes and details, was presented to Gen. [Clark M.] Eichelberger on the first Saturday of March, 1945." Byers added, "A brigadier general from Washington attended the briefing at which Eichelberger was given the full plan."

After the recent publication of the Yalta documents, to my utter amazement, it was stated on the floor of the Senate that the concessions made at Yalta by the American and British Chiefs of State were based upon my recommendations. Such statement is utterly unfounded and without the slightest basis in fact.

I understand from the press that efforts are now being made to have the Department of Defense release for publication certain selected military documents for the most part bearing upon post-Yalta studies and plans dealing with implementation of the Yalta decisions, to the exclusion of the documentation which preceded the Yalta decisions and which alone might cast light upon the responsibilities involved. This could only result in added confusion in the public mind concerning the issue under discussion, which is the responsibility for the Yalta decisions.

I would be wholeheartedly in approval should the Department of Defense deem it advisable, to have published all documents which bear upon responsibility for the Yalta decisions, but I would deprecate most unequivocally a partial and selective release. If any documentary evidence is to be released, it should be released in full.

Army Historian Enters Dispute

Following is an extract from an Associated Press dispatch:

WASHINGTON, APRIL 4 (AP)—An Army historian said today Gen. Douglas MacArthur not only favored Russian entry into the war against Japan but was willing to make concessions to assure Soviet action.

These statements, contrary to ones made by MacArthur, were made by Louis Morton, chief of the Pacific section of the Army's Office of Military History. He wrote them in an article on the "Military Background of the Yalta Agreements" appearing today in the *Reporter* magazine.

Morton said MacArthur was "thoroughly in favor of the plan" approved by the Joint Chiefs of Staff in Washington to get "Russian entry at the earliest possible date consistent with her ability to engage in offensive operations."

Morton said further that MacArthur "stated emphatically at the time of Yalta to more than one visitor that American forces should not invade Japan until three months after the Red Army attacked in Manchuria."

Morton's article cited no specific documents, did not identify MacArthur's visitors, nor give dates of conversations. At the Pentagon, Morton declined to meet reporters but passed the word through information officers that his article spoke for itself.

• • •

. . . "MacArthur felt Japan's collapse would be sudden"

Eyewitness Account of Crucial Meeting

Following are extracts from a statement issued by General Whitney on April 5:

Heretofore the main prop for those who are seeking to shift the responsibility and blame for the Yalta decisions upon General MacArthur, has been an entry of doubtful validity contained in a so-called Forrestal diary which reports one side of an alleged conversation incorrectly stated to have taken place in the city of Manila on February 28, 1945 between General MacArthur and Secretary Forrestal. Presumably that entry is the basic source to which the *Reporter* article refers.

Secretary Forrestal is now dead. The diary entry concededly was not made in his own hand. And the truth of the statements therein attributed to General MacArthur has been flatly denied by the latter and members of his staff who were present. What then is the best remaining impartial source upon which to draw information on Forrestal's visit to MacArthur's headquarters?—obviously the man who accompanied him and was an observer to the entire occurrence. I refer to the distinguished **American, Cornelius Vanderbilt Whitney,** who accompanied Forrestal on his trip to the Far East as a friend and adviser and has recorded in graphic detail the incidents of that brief visit to MacArthur's headquarters on pages 307-313 of his book "Lone and Level Sands," published in 1951 prior to the Forrestal Diaries, as follows:

° ° °

"The conversation immediately turned to the war in the Pacific. The Secretary asked whether the General thought that military operations against Japan would become more and more costly as we approached the mainland of Japan.

"To this the General replied that operations against Okinawa, Kyushu and Honshu did not present undue difficulties as long as surprise and room to maneuver could be achieved. He did not expect the Japs to risk warfare in the open but thought that they would retreat to mountain caves and fortified positions. These positions could be effectively dealt with as long as there was space to maneuver.

"From this subject, the conversation led into the probability of our forces having to invade the mainland of China. The General was opposed to this notion, feeling that the Chinese army should be equipped by us to fight and that the fighting should be done by them. The supply line on the Yangsi River, however, should be attacked by our Navy and Air Force.

"The General evinced great respect for the Japanese artillery and mortar fire and felt that these would be more dangerous the closer we got to Tokyo. At Luzon these weapons had been used to great advantage. These, coupled with desperate defense of fortified caves and hideouts, were the Jap tactics to be expected.

"The Jap Air Force had taken a terrific beating at Luzon and no longer existed as a powerful force. We must expect trouble from the suicide pilots, but the General believed that the strength of the main line enemy air force had been crushed. In addition, the Japanese were confronted with a serious loss of aviation fuel which would render large scale air operations impossible.

"And what about the war on Luzon, itself? The General predicted its termination within two weeks and saw no immediate necessity to mop up enemy pockets either here or along the route to Australia.

"The Secretary then inquired concerning the lack of Japanese air action at Tokyo and Iwo Jima. MacArthur said this was due to his having spent his air force against Leyte and because of the continuous pressure put upon him from many quarters in the past two months. Of more than one thousand planes recovered in the vicinity of Clark Field, many were found intact but with empty fuel tanks, indicating that a large air force could no longer be maintained.

"'And do you wish to hazard a guess upon the end of the war in the Pacific?' asked Secretary Forrestal.

"'I predict,' said MacArthur, 'that it will terminate this year.'

"I could see the evident surprise in the Secretary's face, as current Navy thinking put a far more distant date on this event.

"General MacArthur added that the great pressure being put upon the Japanese from all sides would hasten their downfall. He said that the Oriental was a formidable opponent when he was operating according to plan. But, when his plan was disrupted and he had to manufacture quick moves to deal with unpredicted pressures, he would not stand up long. Panic would supplant calm. MacArthur felt that this final phase of the war had now been entered and that collapse, when it came, would be sudden and unheralded, possibly within six months. (It actually took less than six months.)

"Mr. Forrestal was visibly impressed and yet unconvinced. He asked the General whether he could quote him in Washington, to which MacArthur said he had no objection.

"Shortly after this conversation, which, I judge, lasted a good hour, we rose from the table and passed into the staff room. Farewells were spoken, and we took our departure.

"I have given you only the highlights of this remarkable conversation. I say remarkable, because here was a man in position to know, predicting an early termination of the war, contrary to all naval thinking at the time."

° ° °

. . . It is well known that no competent evidence whatsoever exists to sustain the basic allegation that the Yalta decisions to grant major territorial and other concessions were based upon MacArthur's prior recommendations. Indeed, even the military historians who have freely pored over all of the classified military documents bearing upon the war and to whom responsibility for the Yalta decisions has had a fascinating interest, have failed to come up with the slightest pre-Yalta official documentation linking MacArthur in the chain of responsibility. This is understandable because I myself have carefully studied General MacArthur's personal records, including his official messages and reports, and have found nothing originating with him to substantiate the allegation. Nor did the voluminous records of Yalta recently released even mention his name. It defies common sense and credulity to believe that had the concessions made at Yalta actually been upon his recommendation, the records of that historic conference would have been silent upon the fact.

The non-existence of pre-Yalta documentation substantiating the allegation that the concessions made at Yalta were based upon MacArthur's prior recommendations is undoubtedly the reason for the abortive effort being made to produce in the public mind the false impression that MacArthur's *post*-Yalta actions to implement its decisions reflects his *pre*-Yalta personal views and convictions.

"PEACE WITHOUT SURRENDER"

Mr. Nixon: Keep U. S. Strong, Don't Tell Defense Plans

No "trigger happy" decisions will be made by President Eisenhower or Secretary of State Dulles in this period of world tension.

That assurance comes from Vice President Nixon. But he points out that nothing is gained by telling Communists how far they can go before U.S. will act.

The Vice President says that history shows how weakness and concessions to dictators tend to bring on wars rather than to prevent them.

Following is the text of an extract from an address by Richard M. Nixon, Vice President of the United States, to the American Association of School Administrators at Cleveland, Ohio, on April 3, 1955:

Aggressive international Communism presents the only threat to world peace. There will be no major war unless the Communist nations begin one.

How can we best deal with this threat?

The guiding principle of our policy is peace without surrender. History shows that, in dealing with dictators, a policy of weakness and concessions may bring a temporary truce in the short run. But in the long run such a policy leads to war.

We believe this is the policy which has the best chance to bring peace without surrender:

Militarily and economically: Keep the United States and the free world stronger than any potential aggressors.

Diplomatically: On the one hand, firmness in which our will and determination to use our strength against aggression when it occurs is made clear to the world. On the other hand, fairness and friendship in which we emphasize:

Our readiness to join with other nations in converting the power of the atom to peaceful uses;

Our willingness to participate in big power conferences when conditions are such that there would be a chance to reduce world tensions;

Our desire to explore every means of reducing the level of armaments, a determination which was made dramatically clear by the unprecedented appointment of Harold Stassen to Cabinet rank as Assistant to the President for disarmament.

Some who question the wisdom of this policy have suggested that the United States should announce to the world at this time that certain named areas would not be defended by us if attacked. Apparently they believe such action would avoid war.

But a study of history casts grave doubt on this contention.

In January, 1950, Secretary [of State] Acheson announced that Korea was outside the defense zone of the United States. Some may have breathed a sigh of relief at that time in the belief that there would be no war in Korea. But in June the Communists attacked and we had to go in unprepared.

It was just 17 years ago that we heard the cry "Why die for Danzig?" No one died for Danzig then—millions died later.

History shows that surrender of territory in itself never satisfies an aggressor; it only increases his appetite.

The possibility that surrender of territory demanded by an aggressor might remove the chance for war over that territory now must be weighed against the effect such action would have in increasing the chance for a bigger war later. This is the difficult decision which confronts the President, a decision which he correctly insists can and should be made only when we see the nature of the attack.

Of this much we can be sure: Where a dictatorial aggressor is involved the only way to eliminate all chance for war is to surrender completely. We believe that, if we are not to do that, the least chance for war and the best chance for peace will be created through following a policy of strength and firmness with the door always open to negotiation but never to appeasement.

There should always be open discussion and criticism of our policies because the decisions we eventually make must represent the very best thinking of the nation. But this we should get straight at the outset—there is no war party in America.

I know of no one in the House or Senate—Democrat or Republican—no one in the Administration, no one of our top military leaders, who wants war.

Anyone who charges that there is a war party in the United States is unfortunately feeding the Communist propaganda mill, which has been grinding out this big lie and trying to peddle it around the world for years.

Let us advocate vigorously the policies we think are best designed to avoid war and obtain peace. But let us do so without questioning the motives of those who disagree with us. We may disagree on the means but we all agree on the end.

I have sat in the councils of the Administration over two years. No two men could be better qualified and more dedicated for the task of finding peaceful solutions to world conflicts than President Eisenhower and Secretary [of State] Dulles.

They bring a wealth of diplomatic and military experience to their positions. They have the judgment and temperament which comes from long participation in the making of great decisions.

The nation can be sure that there will be no "trigger happy" decisions as they lead the nation during this period of world tension.

YOU'LL BE MONEY AHEAD

WITH THE EXTRA PAYLOAD IN THE NEW

FRUEHAUF Volume★Van!

When A Trailer Gives You Up To 35% Extra Payload Per Trip, It's 5 Years Ahead In It's Field — *And You're Ahead In Profits!*

THEY CALL the revolutionary new Fruehauf Volume★Van the Trailer that's "5 Years Ahead" because it was designed to solve pressing problems for shippers not only today but in the future.

Always, a problem for anyone with a product to transport is *cost*. The Volume★Van *reduces* shipping costs very simply: by providing up to 35% greater cargo space than the average Trailer presently in service.

When you reduce your shipping costs you profit in many ways—in immediate profits, with extra capital for future expansion, and by reducing the price of your product to a competitively advantageous position.

To be ahead in your business, be ahead in your transportation. Investigate the Trailer that's "5 Years Ahead" of its field. We will be glad to furnish details *immediately* on request. Write us today. No obligation, of course.

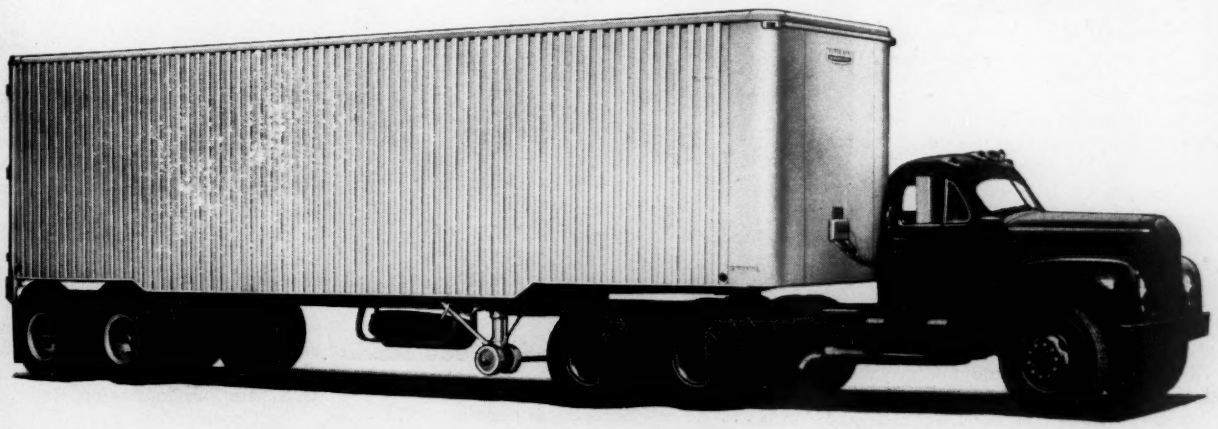
World's Largest Builder of Truck-Trailers

FRUEHAUF TRAILER COMPANY

10947 Harper Avenue • Detroit 32, Michigan

FRUEHAUF TRAILERS

"ENGINEERED TRANSPORTATION"



THE MAN ...Sir Anthony Eden **THE NEWS** ...Top Job at Last

Winnie's Successor Likes U.S.—But a Little Less

Sir Winston Churchill trained his own successor for years. Now Sir Anthony Eden gets a chance to show what he can do with the British-American partnership.

—USN&WR Photo

LONDON

AS PRIME MINISTER, Sir Anthony Eden is getting his chance at long last to govern Great Britain—a job for which Sir Winston Churchill started grooming him more than 10 years ago.

The suave, handsome new leader starts out as a very popular man, even though he is confronted with some troublesome handicaps. He is the first divorced man in history to head the British Empire. At 57, he is Britain's youngest Prime Minister in three decades. For many Britons and most Americans he still walks in the imposing shadow of his political mentor, the retired Sir Winston.

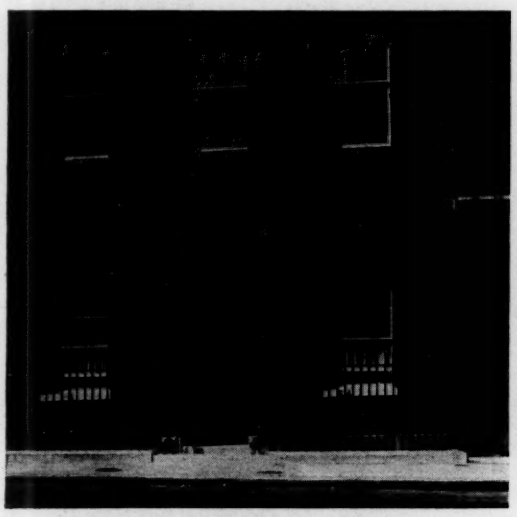
The U. S. may find the new Prime Minister not quite so friendly to American ideas as Sir Winston has been. He will represent faithfully the feeling of most British people that the islands off China's mainland—and perhaps even Formosa—justly belong to the Chinese Communists. He is said to be more at ease talking with Russia's V. M. Molotov than with Secretary of State John Foster Dulles. He is an accomplished diplomat, but his personal qualities are not the same as those that won for "Winnie" such towering prestige in the U. S.

As one American friend of both British leaders sizes up the shift:

"I would like to see less talk of Eden replacing Churchill. Nobody can replace Churchill. They threw the mold away when they made him. He is like a beech tree—nothing grew up underneath him. What will replace Churchill is not Eden but a British Cabinet."

In many respects, though, the Eisenhower Administration may find it easier to work with Sir Anthony than it was to work with Sir Winston. The new Prime Minister is as wedded to the idea of a strong British-American partnership as his predecessor ever was. He prefers to deal with world problems through traditional diplomatic channels—just as Secretary Dulles does. He does not share Sir Winston's enthusiasm for immediate top-level talks with the Russians. He is more inclined to the Eisenhower attitude—to wait and see what develops.

A view of "Foster." Still the fact remains that, as individuals, Sir Anthony and Secretary Dulles just do not care much for each other, even though they are on a first-name basis. An American visitor recently asked Sir Anthony about the coolness between him and Mr. Dulles. The promptly given answer: "Well, Foster Dulles often thinks he is right. But I know when I am right."



THE PRIME MINISTER'S RESIDENCE
. . . the new occupant is popular

Sir Anthony, a veteran of more than 30 years in British politics, has been waiting a long time for the job he now holds. To many Britons, he is the perfect picture of what the Queen's First Minister should be. He was born to the purple. He is a man of great charm and graciousness. Although now graying fast, he still is referred to as "the world's most handsome man."

The new Prime Minister got into politics as a Conservative candidate for Parliament from a rural district in 1923. In his early years in Commons he was hard-working but shy, a man who gave the impression of being unsure of himself. But he rose rapidly. By the early 1930s Anthony Eden had become the young champion of Conservative Britain. By 1935 he was Minister for League of Nations Affairs.

It was in 1938 that he became the hero of the Churchill Conservatives. In that year he resigned as Foreign Secretary, rather than be identified with the appeasement policies of the then Prime Minister, Neville Chamberlain, who was dealing on his own with the Axis dictators, Adolf Hitler and Benito Mussolini.

Three years after his resignation, Eden was back as Prime Minister Churchill's Foreign Secretary. He became, in 1942, leader of the House of Commons, working at the side of Churchill—as he has been ever since.

Two trying personal crises came shortly after the war, but Sir Anthony's friends say both are now behind him. He emerged from the war years with his health weakened, and almost died during an illness of 1952-53. He went to the U. S. for an operation by the

(Continued on page 70)

To manufacturers whose building products are competing for a place in the more than a million homes, farm buildings, schools, apartments, office and public buildings that are going up this year, Revere Aluminum offers attractive new opportunities.

It offers the ultimate user the advantage of strong, light-weight products that are high in serviceability and attractiveness and low in their need of upkeep. It offers the manufacturer almost unlimited scope in design plus the competitive feature of ready workability for low-cost and fast production.

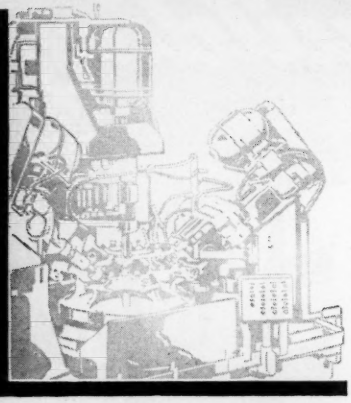
Revere Aluminum is available in the forms of tube, extruded products, coiled and flat sheet, circles, blanks, awning stock, bus bar, forgings, Lockseam tube, rolled shapes, and foil. Revere Copper and Brass Incorporated, Founded by Paul Revere in 1801, 230 Park Avenue, New York 17, N. Y.

REVERE KNOWS ITS A-B-C's

ALUMINUM BRASS COPPER

LIKE SPECTACULAR COST CUTTING MACHINERY....

that consolidates production operations in a single machine to speed up production and eliminate wasteful handling



CMP *cold rolled strip steel*

can help step up your production rate...

By working to restricted specifications for size, physical characteristics and finish, realized through precision cold rolling and heat treating processes, CMP can help in many ways to step up the production of parts made from flat rolled steel.

In many cases, "working qualities" can be so improved that machine speeds can be stepped up as much as 25%.

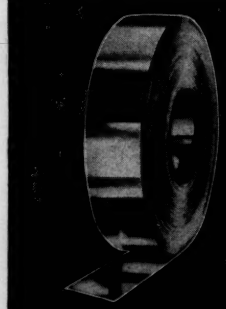
Frequently, qualities can be developed which permit simplification of tooling.

In some instances, restricted specifications may be developed which completely eliminate operations.

Where precision fitting is encountered, dimensional accuracy can be developed to greatly speed assembly and eliminate rejections.

In all cases, users enjoy the usual time-saving advantages of CMP's customary precision gauge and width tolerances . . . more footage per coil . . . fewer production shutdowns for coil replacement on automatic-feed operations . . . longer tool life.

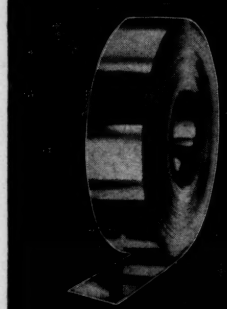
CMP's extensive experience in development of steel specifications for more efficient and economical production is always at your service.



CMP

WHERE YOU CAN GET SPECIFIC SPECS. FOR SPECIFIC JOBS

LOW CARBON
HIGH CARBON
Annealed or Tempered
STAINLESS • ALLOY
ELECTRO ZINC COATED



CMP

the Cold Metal Products co.

GENERAL OFFICES: YOUNGSTOWN 1, OHIO

PLANTS: YOUNGSTOWN, OHIO AND INDIANAPOLIS, INDIANA

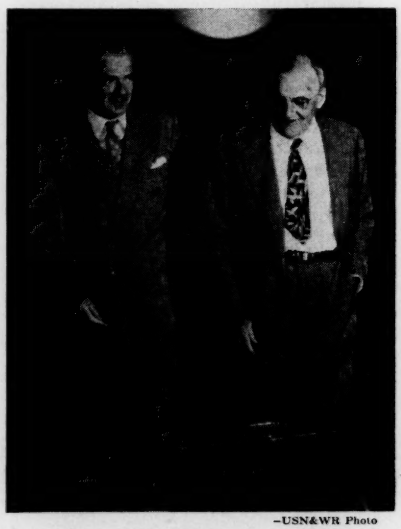
SALES OFFICES: Chicago • St. Louis • Los Angeles • San Francisco
New York • Cleveland • Detroit • Indianapolis

Britain's leader prefers politics to partying . . .

American surgeon, Dr. Richard Cattell, which many feel saved his life.

How divorce came. Shortly before that, he went through an experience which to many Britons was more dramatic than his fight against illness. His career and his marriage hadn't gone well together for years. Despite his charm and good looks, Sir Anthony has always been bored with cocktail parties and other such affairs that he regards as social trivialities. His wife, Beatrice, was bored to tears by politics. In 1945 she went to America and didn't come back.

Sir Anthony divorced her in 1950 on the ground of desertion. He later married Sir Winston's niece, Clarissa Church-



–USN&WR Photo

MR. EDEN WITH MR. DULLES
Both have strong convictions

ill. She is more than 20 years younger than the Prime Minister, but friends feel she will be much closer to him in his political career than his first wife ever was—that she has some of Lady Churchill's flair for handling politicians.

Sir Anthony thus becomes not only Britain's first divorced Prime Minister, but also the first Prime Minister whose marriage is not blessed by the Church of England. This counts with the British—not enough to defeat him at the polls but enough for many to take a dim view of a leader who has not followed the laws of the Church. He has been criticized by Church publications. The *Church Times* commented recently:

"It is now apparently to be accepted as a matter of course that those who occupy the highest positions in political and public life may break the Church's

. . . Test for Sir Anthony: handling the Cabinet

law without embarrassment or reproach. . . . This fact may make remarriage after divorce 'respectable' in the eyes of a pagan generation. But it does not make it one whit the more right."

Among most people, however, the worry about Sir Anthony is not so much his marital status as it is concern over his ability to deal with British internal affairs. The country is waiting to see whether he has enough managerial skill to direct a Cabinet which owes him so much less deference than it owed Sir Winston.

Some key assistants. Sir Anthony, in recent months, has devoted more and more time to learning how to govern a country in fields other than foreign relations. Also, the new Prime Minister will rely heavily on two of the Conservative Party's top Cabinet men—R. A. Butler and Harold Macmillan.

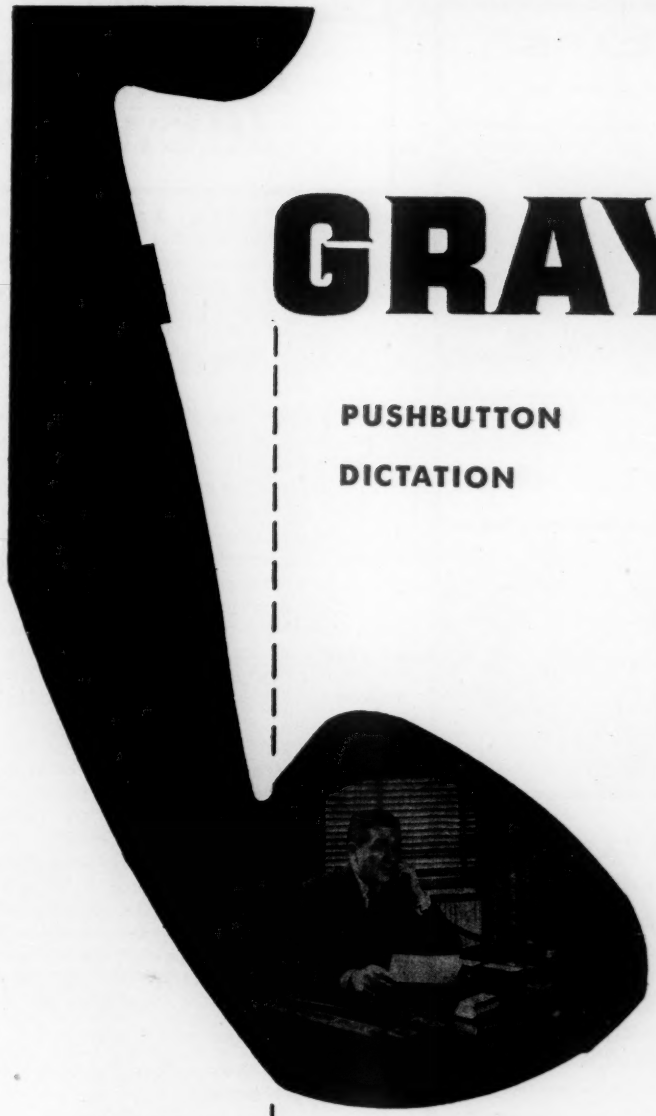
Mr. Butler, with his intimate knowledge of British Treasury affairs, will bolster Sir Anthony's limited grasp of economic affairs just as he did Sir Winston's equally sparse qualifications in that field.

Mr. Macmillan, Sir Anthony's new Foreign Secretary, will be a big help in keeping the British-American partnership intact. Mr. Macmillan, who takes pride in pointing out that, like Sir Winston, he too springs from an American mother and a British father, worked closely with Gen. Dwight D. Eisenhower in the tense days of 1943. He and the American President have a healthy respect for each other.

The retired Sir Winston, too, will continue a strong influence. He first fixed upon Sir Anthony as his successor as long ago as June of 1942, when he told the late King George VI that the job should go to Sir Anthony in the event of Sir Winston's death. There has been a bond of strong friendship between the old and new Prime Ministers for many years.

Sir Winston stood beside his protégé during the trying days of illness and divorce. He was the beaming uncle when his niece became the second Mrs. Eden. And he is just as much the enthusiastic Eden cheerleader today.

For his part, Sir Anthony is anxious to identify his new Government with the powerful name of Winston Churchill, both in these formative days and during the general-election campaign that is to come. To show how he feels, the new Prime Minister went before Parliament minutes after taking office to declare that, despite the change in top command, Sir Winston is "still the dominant figure among us."



GRAY

PUSHBUTTON

DICTATION

Today's automatic dictating system

Pushbutton convenience means that you handle no complex equipment. Simple pushbuttons give you full control over: start-stop . . . playback . . . corrections . . . endings. And you get "built-in intercom" for verbal instructions. What's more, you dictate at *your* convenience: your secretary transcribes at *her* convenience. Nothing else makes dictation faster, more automatic. And nothing else helps cut more deeply into correspondence costs.

GRAY PHONAUDOGRAPH

THE GRAY MANUFACTURING COMPANY • HARTFORD 1, CONN.

SPOT CARS
Where you want to

SWITCH CARS
When you want to

Put a **PAYLOADER®** car-mover in **YOUR** plant

Looking for a better way to switch and spot cars—a faster, more economical way? Get the facts on this big four-wheel-drive pneumatic-tire tractor with torque converter. Find out what it's doing for others — and can do in *your* yard.

Up to 16,000 lbs. drawbar pull or push — goes directly across the rails and yard to its next move by the shortest, fastest route — can move whole strings of cars. Available with gas or diesel power, with full complement of railroad couplers, air brake control, etc., or for general drawbar use.

PAYLOADER®
manufactured by
THE FRANK G. HOUGH CO.
953 SUNNYSIDE AVE., LIBERTYVILLE, ILL.
SUBSIDIARY—INTERNATIONAL HARVESTER COMPANY

We've Been Asked:

ABOUT CHINESE STUDENTS ALLOWED TO LEAVE U. S.

- **A number of Chinese students who had been refused permission to leave the U. S. now are free to return to their homes at any time.**
- **Who are these students? Just why were they held? And why, suddenly, are they allowed to leave?**

Exactly who are these Chinese students now being released to go back home?

They are students and former students —76 in number—who had been refused permission to leave the U. S. and return to the Communist Chinese mainland. All have been trained at American colleges in technical subjects, including engineering, chemistry and other sciences and nuclear physics. Some of them, after completing their college studies, have taken jobs.

Have they actually been held?

Not in the sense that they have been imprisoned or detained in one place. Although denied exit permits by the Immigration and Naturalization Service, they have been free to go wherever they wanted in the U. S. and to study or work where they pleased. All the students had to do was report every three months to the Immigration Service on their whereabouts and employment. But, like other aliens, all have been subject to general surveillance.

Why were they refused permission to return home?

That goes back to policy adopted after the Chinese Communists entered the Korean war. The idea was that these students should not be allowed to go back home where they might help the war effort with technical knowledge gained in the U. S. Other students who had not taken technical courses have been allowed to return home.

Why are these students released now?

For one thing, with the fighting in Korea ended, the original policy of not letting them go home to use their technical knowledge against the U. S. in war is outdated. Also, it is felt in some circles that the release of these Chinese to go home may help inspire the Chinese to send back 15 American fliers and 41 civilians now being held in China. State Department officials, however, deny the Chinese charge that the students were being held as "hostages."

How many of the 76 actually are going back?

No one knows for certain, but it is believed that most of the 76 will return home. All of them at one time or another had asked for permission to leave. Some of them, however, may change their minds now and ask to be allowed to stay.

Why do they want to return to China? Are they Communists?

The State Department has no record that any of this group actually have been Communists. Virtually all of them left China before it fell under Communist control in 1949. Most of the students say they want to go home for personal reasons—usually because they have parents, wives, children or other relatives there.

Who brought them here?

Some of these students were brought to this country under U. S. Government programs. Many others, who came here on their own, were stranded when the Communists took over their homeland. Some of this latter group were given emergency help by the U. S. to complete their studies. Altogether there had been nearly 5,000 Chinese students in the U. S. About 1,110 have returned home, some before the Korean war and some nontechnical students since the war ended.

Who pays for return trips of the 76?

If they are able to do so, the students will pay for their own passage. But U. S. Government travel grants are available to cover minimum traveling expenses for those who prove they cannot pay their own way. This program of emergency aid, however, is expected to end June 30.

When will they leave?

Some are expected to get started within a few weeks. Others will take longer, even up to a year.

Where are all these Chinese studying?

The Chinese students are scattered all over the country, mainly in the big university towns.

Look at the car- and you know the man likes action

Nowadays, you can tell the man by the *car* he keeps.

Obviously, the car you see here belongs to a person who likes to go places. And he likes to get there with a minimum of effort and a maximum of pleasure.

We had such a man in mind when the design of this 1955 Lincoln began. And we gave our designers and engineers a goal that we believe has been achieved.

The aim was this: to build a fine car with *action* to surpass any other car—with beauty to match the tastes of those Americans on the move who demand only the finest.

Lincoln achieves matchless action with its new *Turbo-Drive* and new high torque V-8 engine. They are especially designed and built to work together, giving you performance you never dreamed could exist.

For the first time in any car, you find utter smoothness with ultra quick acceleration. Here is no jerk, no lag—just one unbroken sweep of power from zero to superhighway speed limits.

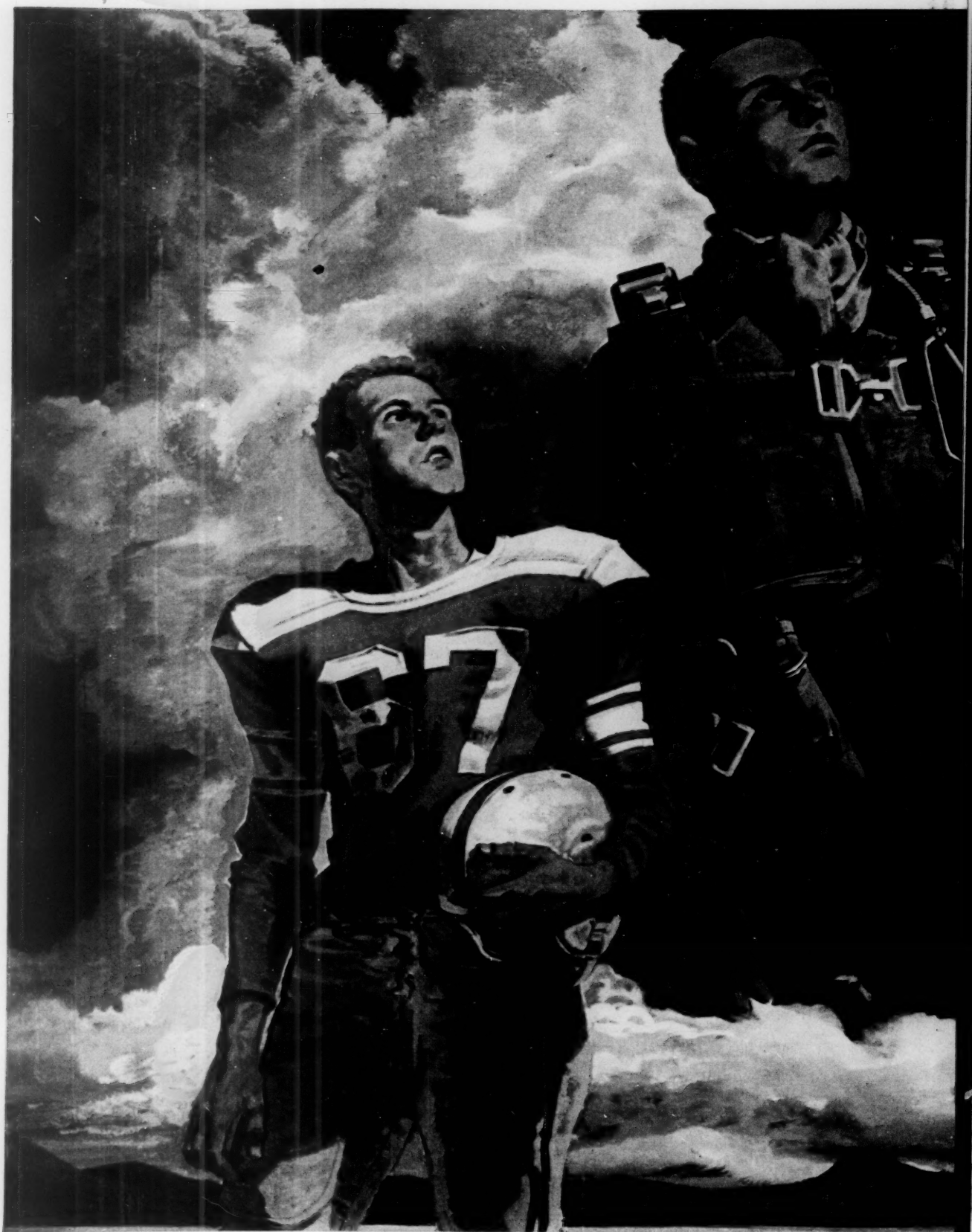
If you want a car with performance far ahead of its time—a car with beauty that speaks for your own good taste—the new 1955 Lincoln is for you.

Prove it to yourself with a visit to your Lincoln dealer, to look at a new Lincoln Capri—*and to drive one.*

LINCOLN DIVISION • FORD MOTOR COMPANY

LINCOLN

for modern living
for magnificent driving



the Team he dreams of making

His vision—
a new frontier in the vastness of the skies.

His yearning—
to flash 'twixt sun and stars.

His craft—
swifter even than sound itself.

His dedication—
the defense of home and freedom.

And all this he will do with unquestioned courage—
for the hard-won wings he wears will be the proud badge
of an American airman.

GOODYEAR AIRCRAFT

DEDICATED TO KEEPING AMERICA FIRST IN THE AIR

YOUNG MEN AND SKILLED TECHNICIANS: For a Rewarding Career take part in the greatest surge of progress in aeronautical history. *Join or re-enlist NOW* in the Military Air Service of your choice!

FOR NAVAL AVIATION opportunities, write: NAVCAD, Navy Department, Washington 25, D. C.

FOR MARINE CORPS AVIATION, write: Commandant of the Marine Corps, Washington 25, D. C.

FOR AIR FORCE information, write: Personnel Procurement Division, Hdq. U. S. A. F., Washington 25, D. C.

ARMY AVIATION: Interested Army Lieutenants see Army Regulation 605-96 for flying opportunities.

Scotland's Prince of Whiskies

With 154 years of experience, Chivas Brothers Ltd. of Aberdeen have produced in 12 year old Chivas Regal a whisky noble in character, magnificently mellow, and unmatched in flavor.

The soft beauty of a northern Spring is framed in the gallery windows of a 17th century manor.

CHIVAS REGAL

12 YEAR OLD SCOTCH WHISKY

CHIVAS BROTHERS LTD. of Aberdeen, Scotland. Established 1801.
By Appointment Purveyors of Provisions and Scotch Whisky to the late King George VI.

BLENDED SCOTCH WHISKY • 86 PROOF • CHIVAS BROTHERS IMPORT CORPORATION • NEW YORK, N. Y.

Special Report

(This article represents the result of an extensive research on a problem of outstanding importance.)

THE MORE PEOPLE BUY, THE MORE THEY WANT

Industry is finding that heavy sales do not "borrow" from future business.

Today's customer can be a sales prospect again soon, if offered something a bit better.

In this sense, industry need never run out of customers.

With output and sales racing at near-record levels, some businessmen are beginning to wonder if they will run out of customers.

The worry is that soon everyone will have a car, a television set, a washing machine, and so on. Then, supposedly, business will have to slacken. Factories will be able to sell only enough new products to replace the old ones as they wear out, plus a few extra for young couples.

No longer will there be any great untapped market, according to this fear.

The accompaning chart indicates the danger is rather remote. It suggests this paradox: Within limits, the more an industry gets its goods into consumers' hands, the bigger its future market will be. Or, to put it the other way around, the more things people get, the more they will want.

This consumer trait is likely to support the demand for houses, automobiles and appliances, so long as people are prosperous and confident.

Radio market "saturated"? Take radios as an example. Figures show that nearly 48 million homes have radios—just about every home in the country. Yet, radios outsell most other electrical goods in actual numbers. More than 6.4 million home sets were shipped by industry last year.

The reason for the big demand lies partly in the millions of sets that fail each year. But that is not all. Many families now want not just one radio, but two or three. There may be one in the living room, another in the kitchen, a third in the car. An additional 4.1 million auto radios were sold in 1954. Meanwhile, a new demand for higher-quality sets—so-called "Hi Fi"—has been developed, with the result that some older models are being discarded before they wear out.

(Continued on page 78)

WILL INDUSTRY RUN OUT OF CUSTOMERS SOON?

THE FIGURES SAY "NO"

	Most people own these things . . . (per cent of U.S. families owning*)	. . . Yet industry sells lots of them (1954 sales**)
Radios	98%	6.4 million
Refrigerators	92%	3.4 million
Electric irons	90%	2.7 million
Electric clocks	86%	6.9 million
Washing machines	81%	3.7 million
Television sets	74%	7.3 million
Electric toasters	73%	3.1 million
Automobiles	70%	5.5 million

	The market for these is only scratched . . . (per cent of U.S. families owning*)	. . . And industry sells few of them (1954 sales**)
Freezers	15%	975,000
Electric blankets	11%	1 million
Electric roasters	10%	350,000
Ironers	9%	91,300
Clothes dryers	7%	890,000
Garbage disposals	5%	360,000
Blenders	5%	296,000

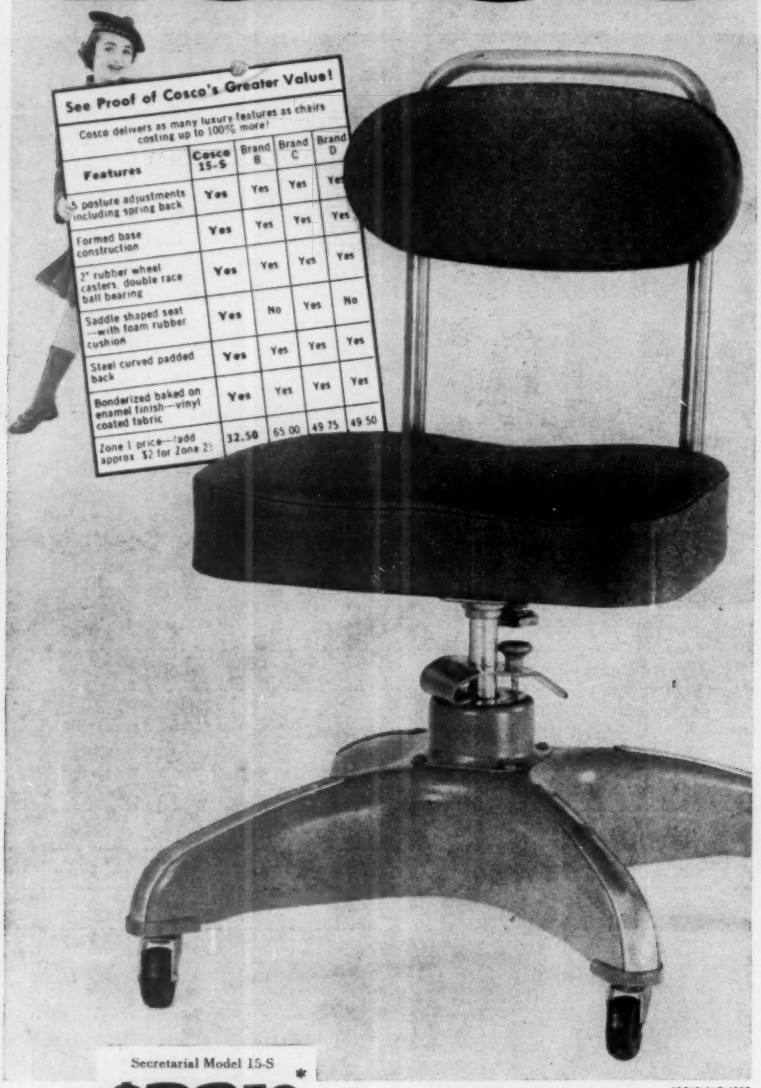
*Based on homes with electricity, except in cases of automobiles and radios.

**Includes some export sales, except for automobiles.

Sources: *Electrical Merchandising, Automotive News,* Federal Reserve Board, Automobile Mfrs. Assn.

© 1955, By U. S. News Pub. Corp.

Value


See Proof of Cosco's Greater Value!
Cosco delivers as many luxury features as chairs costing up to 100% more!
Features | Cosco 15-S | Brand B | Brand C | Brand D
5 posture adjustments including spring back | Yes | Yes | Yes | Yes
Formed base construction | Yes | Yes | Yes | Yes
2" rubber wheel casters, double race ball bearing | Yes | Yes | Yes | Yes
Saddle shaped seat—with foam rubber cushion | Yes | No | Yes | No
Steel curved padded back | Yes | Yes | Yes | Yes
Bonderized baked on enamel finish—vinyl coated fabric | Yes | Yes | Yes | Yes
Zone 1 price—(add approx. $2 for Zone 2) | 32.50 | 65.00 | 49.75 | 49.50

Secretarial Model 15-S

JUST **$32.50*** *and it's so comfortable!*

COPYRIGHT 1955

WHEN YOU'RE LOOKING FOR VALUE, SEE COSCO

You can see part of Cosco's value in the rugged construction that underlies its functional beauty. Built to last for years, they stand up to the hardest daily usage, remain the kind of chairs you're always proud to show off in your office. What's more, they are scientifically designed to reduce fatigue, increase efficiency and work output. *This ups your profits.* That's real value for you. The illustrated chart and a ten day free trial in your offices will prove it.

*$34.45 in Texas and 11 Western States (Zone 2)

COSCO Office Chairs

— — Find your Cosco dealer in yellow pages of phone book or attach coupon to your letterhead — —

Hamilton Manufacturing Corporation
Dept. USN 45, Columbus, Ind.
☐ Without obligation, send Cosco Secretarial Chair on free 10-day trial.
I also want free trial on
☐ Executive Chair ☐ Conference Chair
☐ Full information on Cosco Chairs.

Firm .....
By .....
Address .....

Biggest owners now are best sales prospects . . .

Thus, radio sales remain high in the face of what businessmen describe as "practically 100 per cent market saturation" and also in the face of growing television.

Or take the clothes dryer as an example of a product that is not widely owned. At last reports, fewer than 3 million homes had dryers; at least 42 million were without them—seemingly a huge, untapped market. Even so, dryers are way down the list of home appliances in numbers sold. Fewer than 900,000 were shipped by factories in 1954.

One reason is that, with few dryers in use, the replacement market is small. A more important reason may be that many housewives still are not ready to own dryers.

A sales problem. That explanation is suggested by Charles K. Rieger, who, as vice president of General Electric, has much to do with that company's appliance business. He says that "high saturation means a demand item. The customer knows ahead of time that he must have one. He simply has to decide which one has the features he wants. As a result, the manufacturer can concentrate on selling him his own particular design rather than have to waste time, effort and money selling him on the idea that he wants one at all."

The same idea is broached by economists at the University of Michigan who have been conducting the Federal Reserve Board's annual consumer surveys. George Katona notes that most economists used to think the consumer who was able to buy what he wanted would become satisfied. Actually, the opposite seems to be true, Mr. Katona holds.

Consumer surveys show that people who already are well supplied with goods are the best prospects for new sales. People who have little are the ones who say they don't need anything. Failure and frustration seem to make people stop trying to raise their living standard; getting things makes them want still more.

The automobile business thrives on this psychology. Most people trade in a good old car, not a broken-down jalopy, when they buy a new one. Something other than dire need causes them to buy. Mr. Katona thinks many are moved by a desire to keep up with the neighbors and by innovations that make them dissatisfied with the car they have.

A great many automatic devices have been added to the automobile in the last few years. Automatic transmission has become common in cars of all price ranges. Turn signals, power steering, power brakes, power seats, power win-

. . . Even old houses are being "traded in"

dows, all help make cars of just a few years ago seem obsolete. New designs and colors have the same effect, of course.

Also, quite a few families have become so dependent on the car that now they feel they need two.

That doesn't mean the auto manufacturers can sell any number of cars they choose to make, economists say. But it does mean that big sales this year do not necessarily mean a small market next year.

Appealing to the housewife. The appliance makers, like the auto companies, are pinning their hopes for sales in future years on innovation. They are hard at work on new developments intended to get the housewife to replace her present kitchen and laundry equipment long before it wears out.

Use of frozen foods already is creating a demand for new refrigerators with more freezer space. This is one of the reasons why sales of refrigerators stay high, even though nine out of every 10 homes already are equipped.

Still newer ideas are emerging from the industrial laboratories: new colors in porcelain, ovens that can cook anything in a few minutes, stoves without burners, sectional refrigerators that can be fixed to the wall at shoulder height to eliminate stooping, laundry machines that combine washing and drying, built-in coolers and dispensers for beverages.

The great market for these, the figures suggest, will not be the people who never owned appliances; rather, the appliances will be bought by people who now have a full line of equipment that is up-to-date today but will seem old-fashioned tomorrow.

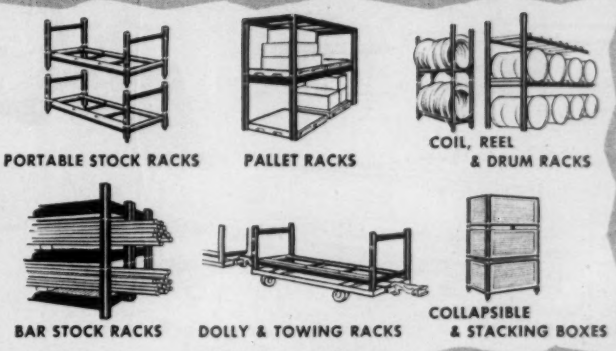
The market for houses shows some of the same trends of heavy turnover and shifting styles. Real estate men are finding the idea that most families buy a house for a lifetime of use is something of a fiction. Many people who bought soon after World War II are shopping now for their second—sometimes third—house. Houses, in effect, are being traded in as incomes rise, families get larger and builders offer new attractions in the way of design, equipment and surroundings.

A million houses a year. The result is that many economists feel there will continue to be a market for at least a million new houses per year in the U. S. This is far more than would be needed simply to take care of new families or replace demolished structures.

Of course, the old house is not as easily discarded as the old washing

(Continued on page 80)

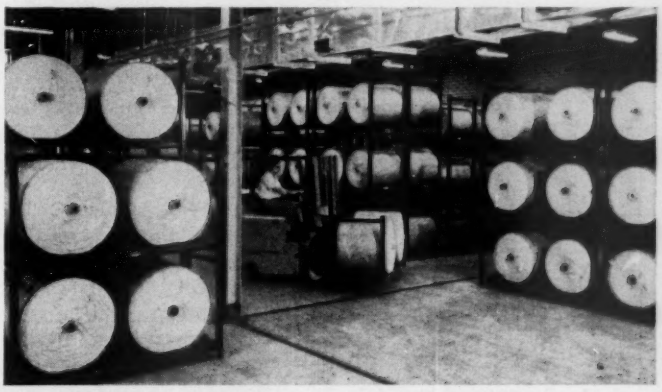
YOU CAN STACK *ANYTHING* ON E. M. I. RACKS



Protect workers and stock keep your materials . . .

well stacked!

Equipment Manufacturing storage racks that stack are fabricated of strong, square tubular steel and are adjustable to fit any space or unit load in your plant or warehouse. Special racks designed to your specifications. Field Engineering Service on any installation. Before you decide on a new warehouse, additional storage space or the purchase of stacking equipment, write for our catalog. You save money, space and time with E. M. I. racks.



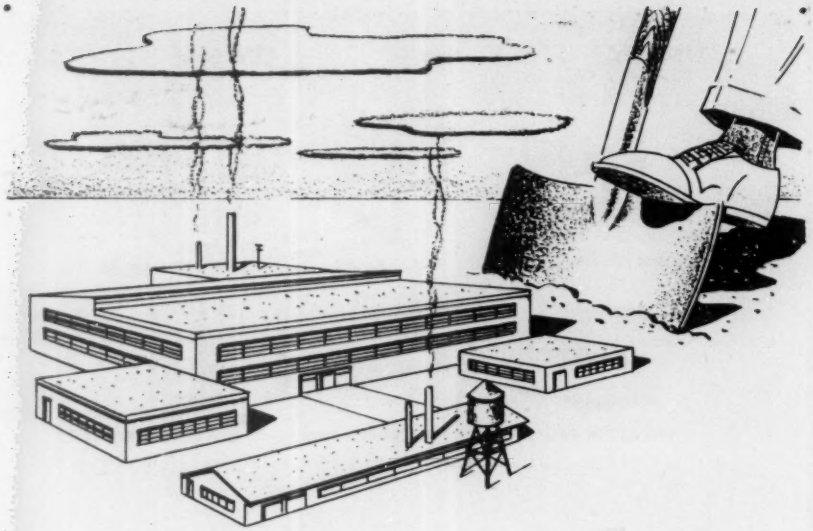
E.M.I. Portable Stock Racks increase efficiency in storage and handling of thread at the plant of Coats & Clark, Inc., at Toccoa, Georgia.

Write for Catalog...

EQUIPMENT MFG. INC.

21546 HOOVER ROAD • DETROIT 5, MICHIGAN

MATERIALS HANDLING EQUIPMENT STACKING RACKS FOR INDUSTRY



thinking of
Transplanting it?

If you are... take a look at South Florida. Already an area of spectacular growth, it is fast becoming one of the nation's most important major markets. Should your business plans for the future include a Florida move, count on The First National Bank of Miami for advice, information and assistance. The First National offers complete banking and trust services together with specialized skill in Latin American financial transactions.

Your questions about South Florida business or industry (agriculture, light industry, retail, wholesale, services or other) will be answered promptly. Please address your letter to:

Office of The President
The First National Bank of Miami
P.O. Box 2500, Miami, Florida

- Founded in 1902
- Complete Banking & Trust Services
- Se Habla Español

The FIRST NATIONAL Bank of Miami

101 E. FLAGLER ST., MIAMI, FLORIDA

MEMBER: FEDERAL RESERVE SYSTEM—FEDERAL DEPOSIT INSURANCE CORPORATION—BANKERS ASSOCIATION FOR FOREIGN TRADE

. . . Stable prices and "selling" feed boom

machine or car. Yet there is some evidence that dwellings are being removed from the market more rapidly than once was thought possible.

Old houses and apartments are being torn down to make way for stores and offices; a great wave of commercial building is in progress. Slums are being razed with federal aid. Makeshift apartments that were created in older homes during the housing shortage are being taken off the market.

That helps keep the market for secondhand houses from bogging down, so that owners couldn't sell one home and buy another. Old houses sell slowly in many cities and at prices that sometimes

–USN&WR Photo

PLENTY OF "TRADE-INS"
. . . a demand for something better

are disappointing to the owners. But they do sell. There is no sharp deterioration in values. Vacancies, where they are increasing, are a problem primarily for landlords, not homeowners.

What keeps people buying. Basic conditions for a strong consumer market, the economists are finding, are these: fairly stable prices, confidence among consumers, innovations and salesmanship from industry, and a high standard of living, involving widespread ownership of all types of goods. Mere numbers of unsupplied customers no longer are being regarded as most important.

Today, all the factors that make for a strong market are actually seen in operation. So long as this continues to be the case, industry is expected to find plenty of customers for a high volume of sales.

One measly carbon!

"Price changes effective next Monday—and I get one measly copy! Now my two girls have to drop everything, and type new price lists and letters to the men in the territory... The home office could spare the branches a lot of grief by just sending enough copies..."

Not enough copies...
loses time, delays action, lowers efficiency in every business... is a chronic problem which Ozalid can usually solve.

Anything written or typed, printed or drawn on translucent (lets light through) paper can be copied on an Ozalid machine, in less than a minute. The copy is accurate, clear, dry and ready for use.

A letter size copy costs less than 2¢—a lot less than retyping and proofreading, transcribing, photocopying. And anybody can use an Ozalid machine.

Saves every department...
Thousands of companies now use Ozalid copies of orders, invoices, material lists, statements, bulletins, tax returns, charts and drawings—to speed production, order filling, accounting, billing, shipping, etc.

Add new entries on cumulative reports, and Ozalid copies save transcribing and typing. Files can be reduced; one carbon makes Ozalid copies anytime.

Even in a small office, an Ozalid machine soon pays for itself. Call the nearest Ozalid distributor *(see phone book)* and ask for a demonstration. Or write to 37 Ozaway, Johnson City, N. Y. In Canada, Hughes Owens Company, Ltd., Montreal.

OZALID—A Division of General Aniline & Film Corporation... *From Research to Reality*

OZALID

OZAMATIC *(left) is a table model, handles sheets as wide as 16", and can make up to 1000 prints an hour.*

BAMBINO *(right) is the smallest, fastest, low-priced office copying machine; will make 200 copies an hour, on sheets as wide as 9", for less than 2¢ a copy.*

CRUSADE IN ASIA

Here is the personal story of one man's struggle against the Communists.

Carlos P. Romulo, Filipino statesman and diplomat, has clashed with Communists at many of the world's great conference tables. He was the first Asian to serve as president of the United Nations General Assembly, and served on diplomatic missions in San Francisco, Geneva, Paris and Washington.

Returning to the Philippines after his international chores, Mr. Romulo found Communists planted in the inner circles of his own Government. "Wherever one turned," he says, "there were Communists."

At San Francisco, in 1945, the Philippine political leader met Russian Communists for the first time, and got a jolt—in deference to the Russians, there was no opening prayer.

Molotov made his entrance "the way a gangster-killer would . . . in some infamous dive." Russians, at that meeting, were arrogant, unsmiling, contemptuous.

At a conference in Geneva, in 1948, Mr. Romulo was in for another surprise. Here were more Russians—friendly and relaxed, smiling, bowing and shaking hands. And beneath all this suave diplomacy, the same iron purpose as before.

Because he represented a small Asian nation, Mr. Romulo was wooed assiduously by the Red diplomats, who were hawking the slogan, "Asia for the Asians!" One of their favorite gambits was, "Since we are also Orientals . . ."

At Paris, Mr. Romulo had his first head-on clash with Andrei Vishinsky—and a lesson in Soviet duplicity.

In Washington, pitted against Gromyko and Malik, the Philippine diplomat decided finally that "these people had but one aim —to submerge the United States."

Being a friend of the United States, Mr. Romulo believes, is not easy for an Asian in today's world.

Surveying modern Asia, the author sees only three nations which are committed to fight against Communism: Thailand, Pakistan and the Philippines. Besides these, Mr. Romulo says, "there are millions of the uncommitted in Asia who will side with democracy if America can gain their faith once more."

Mr. Romulo was born Jan. 14, 1900, in Camiling, Tarlac Province, the Philippines. His career includes stints as college professor, newspaper editor and publisher, brigadier general, lecturer, political leader and diplomat.

On the pages that follow are extracts from Mr. Romulo's book, "Crusade in Asia."

Story of the Communist Plot In the Philippines

As told by

CARLOS P. ROMULO
Former President,
United Nations Assembly

(The complete book, "Crusade in Asia" by Carlos P. Romulo, is being published by The John Day Company, New York. *U. S. News & World Report* has obtained world-wide first serial rights to print extracts from the book. Copyright on the book is held by Carlos P. Romulo.

(Quotations of less than 1,500 words are released for publication in the morning newspapers of Tuesday, April 12, 1955. No part of the book, "Crusade in Asia," in excess of 1,500 words may be reprinted or used in radio or television broadcasts without written permission of the publisher, The John Day Company.)

Extracts from the book follow:

CHAPTER I — Pattern of Communist Organization

THIS was the day we had waited and prayed and fought for in the Philippines. It was the Fourth of July, 1946.

We had chosen it as our Independence Day because it was America's, in honor of the country that for half a century had trained us in the ways of democracy and had fought with us the nightmare battle against Japan. It was a final gesture of gratitude toward a mother nation that had treated us with courtesy and that today was delivering the gift of freedom to a small country on the western rim of Asia.

After this day we would no longer be the Philippine Commonwealth. We would be an independent nation–the first in Asia to reach that longed-for goal since the war.

Over two hundred thousand people were gathered on the Luneta in the heart of Manila to watch the first Independence Day ceremonies and hear our new nation's first President, Manuel Roxas, take his oath of office. It seemed to me that everyone I had ever known and the entire history of my country were in that parklike setting. There were people from all over the Islands and from America, there were our Filipino representatives and American leaders flown over from Washington. There were men and women and children who to me, personally, were the story of my life–relatives, neighbors, old friends. There were men I had gone to school with, worked with in newspaper days, worked with in legislative halls in Manila and Washington, fought beside in the Battle of the Philippines.

Above all, for me, there was my wife Virginia, from whom I had been separated by war.

In the crowd could be seen many left maimed, blinded, or scarred. There were men who wore with pride the tattered uniforms they had worn as veterans of the Revolution against Spain, or on Bataan or Corregidor, and others, mostly women, in the sombre attire of mourning.

But every face wore the look of hope, too much for the heart to hold.

This was our day. After this, we would be free.

* * *

No one knew. No one on the Luneta on this brave day could have dreamed that within two years our good Roxas would be dead and that we of the Philippines would be launched on our fourth fight for freedom, the most terrifying of all because it would be a war of intangibility, waged against shadows.

On this day I would have said anyone was crazy who hinted that such a Christian and democratic country as ours could ever be infested with an ideology crawling toward us from the other side of Asia. Communism was a word that belonged in Russia. Russia had been an ally on our side in the

(Copyright 1955 by Carlos P. Romulo)

. . . "In 1946, Communism first showed its face boldly. . . . The Communist attack began long before Pearl Harbor"

war. The war was over, we had earned our independence, and what hold could any Russian ideology have on the minds of free men!

Years after this day I would still be scoffing at any suggestion of a serious Communistic infiltration in the Philippines. In this, I was not alone. By the time we stopped scoffing, it was almost too late.

For despite the fact that as a Filipino delegate to the United Nations in San Francisco I had seen the Russian delegates in action and been made uneasy by their truculence, still I saw no reason to fear Russia. We had no concept at this time of Russian power. We had no premonition then that in so short a time China—mighty China—was to fall under the hammer and sickle, and that once again the shadow of aggression would be cast over the Philippines.

We had not known, when in San Francisco we wrote the Charter of the United Nations, that an atom bomb had been created. We wrote that charter on the basis of conventional armament. When the bomb exploded at Hiroshima it made obsolete many of the plans of the United Nations.

All this, like the death of Roxas, lay in the future. We did not know what lay ahead on July 4, 1946. We were certain only that the line we planned to follow would be in the American way.

• • •

Surplus Weapons: A Temptation

The explosion of the atom bomb at Hiroshima ended the war in the Pacific, and with it the great war push stopped. As a result, planes, trucks, guns, material of every kind, millions of dollars worth of uninventoried goods, were lying about the country, ready for greedy hands. America had no more need for this uncounted treasure. No wonder the cupidity of certain politicians was aroused!

Manuel Roxas nipped their plans in the bud. For a time the war matériel remained virtually untouched, mountains of it, millions in treasure, unwanted, waiting. . . .

There was a more serious problem. No one knew then how serious it would be. But in this same year, 1946, that gave us our independence, Communism first showed its face boldly in the Philippines, only then we did not recognize it fully as the enemy it would prove to be. We thought of it first as an annoying disturber of the peace.

To understand the movement and the way it grew we must go back before the days of the occupation, when Americans and Filipinos suffered together in the Philippines under the Japanese heel.

Then we must go back farther than that, to the days before the war. Looking backward, I can see now how small the movement was in the beginning and how few were in at its birth. And we know now that there are always these few, and one leader who begins it all. Recognized, they can be stopped in time.

To our credit, we did recognize our first Communists, and we did stop them. But not soon enough, and not permanently. They found the crevice in our democratic armor. They crept in, and this is the story of their slow, remorseless crawling into the very heart of our nation, up to the very doors of our municipal halls. A few reached the inside.

That was when our new nation tottered. That is when we almost went under!

But I must tell it all slowly and carefully, because even now I am bewildered by the way such coups can be brought about and the means by which serious-minded men can be duped and even be made accessories to the crime of Communism.

The Communist attack when it was launched would be world-wide. I was to see it in action in Geneva, in the United States, and in the Philippines. Now, by the advantage of hindsight, I am able to see clearly the apparently innocent way it began in the Philippines—long before Pearl Harbor, long before Bataan.

In Manila, as everywhere else, the attack was launched upon—and later by—our bright young men, those to whom we were giving the best our country had to offer by way of education and opportunity, and from whom we had every reason to expect the best in return.

The net was first spread in Manila several years before the war on a purely social basis by a few of our brightest young men. One was Dr. Vicente Lava of the University of the Philippines. The other was Luis Taruc, then only a high school student and later to become our Number One Communist and public enemy to the peace of the Philippines. Others were labor leaders such as Crisanto Evangelista and Guillermo Capadocia.

Lava was an instructor and Taruc a pupil, but they were friends. They were more than that, we know now. They were fellow travelers. Lava was a chemistry professor, a Ph.D., graduated from Columbia University in New York. There he had been an avid reader of the writings of Marx and Lenin and other radical leaders. Make no mistake, he was a brilliant man.

The young Taruc was also an ardent student of Marx and the rest, and Lava, his teacher in Communist ideas, later would serve as his advisor. Lava helped write the Communistic articles and pamphlets with which Taruc showered the Philippines, until Lava died of tuberculosis during the war. He left many pupils to carry on with the leader Taruc.

But in the early days of their association their objective was the usual Communist aim—to collect followers. Their target was the intelligentsia.

How Red Cells Are Organized

In those days before the war I was publishing newspapers and I knew what was going on in Manila, or thought I did. I knew that these two and their friends were organizing parties, apparently literary, which were given in the homes of leading Manila newspapermen and writers. Several of my editors were lured into playing host to these affairs. Literature was discussed and poetry read, and a pleasant time was had by all. Certainly the gatherings seemed innocent enough.

We would learn later that these parties were organized so that Taruc and Lava might observe and study and select young men who might be diverted into helping form Communist cells.

So, under our very eyes, cells were formed and Communism was launched in our Christian land, and we did not know.

This was the secret pattern the Communists were following everywhere in the world. Aim for the young, the potential leaders, the cream of our youth! Aim for the good-looking, educated, intelligent, the *starry-eyed!*

This is still Communism's aim today: world youth, and the corruption of that youth! And, wherever possible, the indoctrination of children!

I no longer wonder why young people fall for the Soviet propaganda. It is carefully chosen to meet their growing demands. Youth has no defenses against its subtle flattery and

. . . "Another and more surprising type of recruit to Communism is the man, and woman, of the privileged class, known as the Park Avenue Pink. These are wealthy persons who contribute to dubious causes on the roseate side"

its promises. The young people who fall for Communism have been led into its trap by the stars in their own eyes. They are to be pitied and understood and protected, and, if possible, saved.

Why do they fall?

I know because I have seen the Communist plan put into action. I have watched the spreading of the net from Moscow to Manila, over Europe, over Asia. And in every place I have seen it catch up youngsters who are underprivileged and have reason to protest, and others who are well provided for and have brilliant careers ahead. Many are well intentioned, but before they know it, they walk the path to treason.

Why?

They are flattered.

Case History: "An Alger Hiss"

Let us take one of these young men, an Alger Hiss of any country, and try to see without prejudice what lure Communism has to offer that can turn him against his own country and its government, and even his own parents. What is its power?

Let us study this young man of Manila, or New York.

He is, let us say, neither prosperous nor poor, but belongs to the half-world of the partially privileged. He has read Marx and Engels, Lenin and Stalin, and he knows that the world is changing.

He is told that this is his chance as an intellectual to help move forward the evolution of human freedom.

He looks back over history and sees how the world has advanced, from feudalism and the divine right of kings and through imperialism into democracy. He is told that this grand new movement risen out of Russia is destined to sweep the world, and that by joining he can insure himself a place of prominence and power on the ground floor, in the brave new world to be.

He is excited by these promises and by the cops-and-robbers fascination of belonging to the subversive and strange and new.

He sees in Communism all the glamour of the *verboten*, and youth does not like being denied anything. He likes being different, and he likes to feel that his strength is pitted against the fuddy-duddy and antiquated. He loves argument for its own sake because he is young, and Communism lends itself ideally to controversy, to dialectics and to sophistry, and it serves as a bit between the teeth of the ardent young recruit. He has probably come under its spell while in college, where he who argues longest and loudest is the campus hero, and the bright young man, fed on arguments supplied by pamphlets and newspapers from Moscow, finds himself dazzled by his own oratory and trapped by his own sophistry. The fad becomes an obsession. He believes, because he must believe, in order to argue well. In time he is regarded by his fellow students with the respect paid to a student of Marx; he is marked as one of the intelligentsia; and he inspires more than a little fear. Proselyting begins for him in earnest, and he is sent from group to group, arguing and convincing. He achieves fame beyond the campus, and he finds that other young groups of radicals know of him and are eager to hear him speak.

So, with little effort, he has achieved a heady fame. He is on the bright brave new non-greedy anti-capitalistic side, and he is head and shoulders above all the poor boobs who believe in the old stupidities. He is the campus radical. He is its Marxian.

As long as he lives, he will wear the brand of Communism. He may not care, in the beginning. It may be a long time before he begins to care, and then it may be too late.

Often enough his talk has been all sound and fury and part of the emotional upheaval of youth. Our bright young man may have in his heart none of the intent to destroy that will justify the suspicions he will have to contend against the rest of his life. He may drop his Communistic front when he finds himself out in the world and faced with the sobering need to earn an average living, and the inner need to live as an average man. Or he may find too late that he cannot. He is dedicated to Moscow.

Flattery served to bring him into the Red fold.

There may have graduated with him another young student who has also won high honors, who has taken no part in the noisy discussions, and upon whose diploma no marks indicate the courses he has taken in treachery and treason. These are not on the curricula. But he is the truly dangerous recruit. He will not waste time in talk. He is prepared to act. He has his orders and he will carry them out in secrecy, and what he does will never be known, except in Moscow.

Another and more surprising type of recruit to Communism is the man, and woman, of the privileged class, known as the Park Avenue Pink. These are wealthy persons who contribute to dubious causes on the roseate side. They are the inheritors of their wealth and lack the sobering realistic influence of having earned it themselves. That there is a social responsibility to wealth is attested to by the many libraries, hospitals, and charitable endowments set up by the very rich. The donors to the dubious causes, however, are the rich and guilt-ridden who have been convinced by Communist propagandists that Communism only will bring about equality and enhance the dignity of the individual.

This is also the lure the Communist propaganda holds for the economically depressed. It promises to the frustrated, the well-intentioned, and the would-be big shot, personal importance, equality, and a place in the sun. If they only knew! If they could only see Communism in action!

Communism vs. Human Dignity

Communism does not elevate. It debases. It does not recognize the dignity of the individual. It does not recognize the individual. All is for the state. It not only arrests human freedom, it abolishes it, by enslaving body and mind.

By the way of illustration, watch a Vishinsky, a Malik, a Gromyko in action as I watched them at first hand in the United Nations. You cannot help but pity them and share their fear. Under the iron exterior an automaton is jerking to wires pulled in Moscow. They do not dare to think for themselves. To think might result in error. Error would mean liquidation. They are fanatics working for a fanatic state.

If any other United Nations delegate makes an error, he faces the disapproval of his country. They face death.

We had an incident in the United Nations when a delegate

. . . At San Francisco: "The first day of the conference had only begun and already America had given in, and in a matter basic and paramount"

complained that his motion had been "disposed of." Later he complained again, because the Russian interpreter had interpreted the words "disposed of" as "liquidated." The poor interpreter was not to blame. That was the word he knew best. It was indicative of the Russian point of view that was to raise an impassable barrier between the Soviet delegates and the other delegates who were struggling to achieve world peace.

Communism is being sold to the young as the newest step forward in the evolution of human freedom. That is error. Tragic error. The step leads down.

While the seeds of Communism were being secretly sown in the Philippines, I first became aware of the dangers of Communism on the international front. It was while the United Nations was being founded in San Francisco in 1945. The war was still going on. The Philippines was still a Commonwealth. I was there almost on sufferance, as chief delegate of the Philippines, which was not yet an independent nation. Mine was a very small voice; nevertheless, I was determined to make it heard in behalf of democracy, and I was led to believe that the delegates might welcome what I had to say.

I would soon learn that this was true with one notable exception: Russia.

Let me state at once that I went to San Francisco with the friendliest attitude toward Russia. I had admired that country since my university days, when as a student at Columbia in New York I had taken an intensive course in radical literature under the popular Professor Vladimir Simkhovitch, recently retired from Columbia, who is one of our most effective anti-Communists. I had read the teachings of Marx, I had read Turgenev and Gorky and other great dramatic writers of Russia, and I had memorized much of Leo Tolstoi, whose books I often quoted in my debates. I had followed the story of Kerensky and considered the Soviet program one of the greatest experiments in history. With the rest of the world I had admired the Russians as fighters in World War II and the colossal effort made in their defense of Stalingrad. I had resented the attacks made against the Russians while they were our allies in that war, and I, a Catholic, had even resented the attacks made by my Church, which sounded the first warnings against the Soviet. I felt the Church was being narrow-minded and fanatic in its attitude.

Up to this time I had never met any Russians, but through my studies of their history and literature I felt that I knew them well.

So it was that I arrived in San Francisco with an open mind.

U. N.: "Inauspicious Beginning"

I will admit now that my friendly attitude got a bad jolt on opening day.

The United Nations organizational conference began with no opening prayer.

At this time I was still Resident Commissioner of the Philippines, and accustomed to hearing an opening prayer every day in the Lower House of Congress in Washington. This seemed an abrupt and inauspicious beginning. Here were the representatives of fifty nations gathered together in the hope of achieving unity to maintain peace. Why not open so significant a meeting with prayer?

I discussed the matter with several delegates from South America. We agreed it was a serious omission. Three of the Latin Americans and myself as spokesman went into a private consultation with the late Edward R. Stettinius, Jr., then Secretary of State and Chairman of the American delegation. He was in charge of all arrangements, since America was the host nation.

I have the most pleasant memories of Stettinius at San Francisco. His was a charming and gentlemanly personality. But he was outmatched by arrogance. He answered with obvious regret our question as to why there had been no prayer.

"I too am disturbed that there is no opening prayer," he said. "I believe and the United States delegation believes that we should have one. But the Russian delegates are against us in this matter and we do not want to start off our conference with a procedural wrangle. We want concord and harmony. So I ask you, please, do not insist upon an opening prayer."

What could we do! We had to yield to the whim of Russia. It would be the first of many such yieldings.

Then I felt my first doubts. The first day of the conference had only begun and already America had given in, and in a matter basic and paramount. We were to make this a godless conference.

By whose orders?

Stalin's.

Nevertheless, when I began my first speech at San Francisco with the words, "Let us make this floor our last battlefield," I believed with all my being that it would be so.

Picture of a Red Diplomat

A caucus of the chief delegates was held two days before the opening conference. It was carefully staged, by the Russians.

Delegates were milling about the hall, not having as yet been assigned to their seats, and talking in small groups in low voices. Then into the conference room rushed a whirlwind that swept the other delegates aside as if they were dust. It was Vyacheslav Molotov, chief delegate of Soviet Russia, surrounded by his bodyguards and making his presence known.

There was a rush of photographers all around this tumultuous personage. Everything else was forgotten as Molotov, with the determination of an army tank proceeding over a battlefield, made his way to the head table, where he took his seat as if by divine right and sat, under a spatter of flash bulbs, staring around him, arrogant, contemptuous, unsmiling.

There for the first time I saw the real Russia, and my impression was that this was no dignitary come in the role of peacemaker. This was the way a gangster-killer would make his appearance in some infamous dive. Molotov's swaggering entrance had pushed aside all dignity and courtesy. I found myself thinking, So this is Russian realism! This is the new Russia!

I was badly shocked.

No sooner was the meeting called to order than Molotov had the floor.

Now, in all international conferences it is the accepted custom that the chairman of the delegation of the host nation acts as presiding officer. Molotov, machine-gunning his demands in the voice of authority, demanded that the ban be put on that custom. Instead of the United States being left in the chair, Molotov wanted five chairmen, the heads of delegations of the Big Five, to serve in turn, alternating alphabetically.

This was a direct slap in the face of international courtesy and obviously aimed at the United States.

(Continued on page 88)

NORTH AMERICAN HAS BUILT MORE AIRPLANES THAN ANY OTHER COMPANY IN THE WORLD

Engineers: North American offers unusual opportunities. Write: Engineering Personnel Office, Los Angeles or Downey, California; or Columbus, Ohio.

READY! AMERICA'S FIRST SUPERSONIC SQUADRONS

North American F-100 Super Sabres—now on active operational duty with the 479th Fighter Wing at George Air Force Base, Victorville, California—form America's first Supersonic Squadrons . . . a powerful new defense force unequalled anywhere in the world.

Exemplifying a totally new concept for modern air power, the North American designed and built F-100 Super Sabre flies beyond the speed of sound in level or climbing flight, and is designed to perform equally well in air combat or close-support bombing missions.

This year, to better meet our Air Force needs, North American will produce F-100 Super Sabres at its Columbus, Ohio plant in addition to continued production at Los Angeles.

Constant research and development keep North American foremost in aircraft, rocket engines, guided missiles, electronics and peaceful applications of atomic energy.

ENGINEERING AHEAD FOR A BETTER TOMORROW

NORTH AMERICAN AVIATION, INC.

. . . At San Francisco: "The first day of the conference had only begun and already America had given in, and in a matter basic and paramount"

complained that his motion had been "disposed of." Later he complained again, because the Russian interpreter had interpreted the words "disposed of" as "liquidated." The poor interpreter was not to blame. That was the word he knew best. It was indicative of the Russian point of view that was to raise an impassable barrier between the Soviet delegates and the other delegates who were struggling to achieve world peace.

Communism is being sold to the young as the newest step forward in the evolution of human freedom. That is error. Tragic error. The step leads down.

While the seeds of Communism were being secretly sown in the Philippines, I first became aware of the dangers of Communism on the international front. It was while the United Nations was being founded in San Francisco in 1945. The war was still going on. The Philippines was still a Commonwealth. I was there almost on sufferance, as chief delegate of the Philippines, which was not yet an independent nation. Mine was a very small voice; nevertheless, I was determined to make it heard in behalf of democracy, and I was led to believe that the delegates might welcome what I had to say.

I would soon learn that this was true with one notable exception: Russia.

Let me state at once that I went to San Francisco with the friendliest attitude toward Russia. I had admired that country since my university days, when as a student at Columbia in New York I had taken an intensive course in radical literature under the popular Professor Vladimir Simkhovitch, recently retired from Columbia, who is one of our most effective anti-Communists. I had read the teachings of Marx, I had read Turgenev and Gorky and other great dramatic writers of Russia, and I had memorized much of Leo Tolstoi, whose books I often quoted in my debates. I had followed the story of Kerensky and considered the Soviet program one of the greatest experiments in history. With the rest of the world I had admired the Russians as fighters in World War II and the colossal effort made in their defense of Stalingrad. I had resented the attacks made against the Russians while they were our allies in that war, and I, a Catholic, had even resented the attacks made by my Church, which sounded the first warnings against the Soviet. I felt the Church was being narrow-minded and fanatic in its attitude.

Up to this time I had never met any Russians, but through my studies of their history and literature I felt that I knew them well.

So it was that I arrived in San Francisco with an open mind.

U. N.: "Inauspicious Beginning"

I will admit now that my friendly attitude got a bad jolt on opening day.

The United Nations organizational conference began with no opening prayer.

At this time I was still Resident Commissioner of the Philippines, and accustomed to hearing an opening prayer every day in the Lower House of Congress in Washington. This seemed an abrupt and inauspicious beginning. Here were the representatives of fifty nations gathered together in the hope of achieving unity to maintain peace. Why not open so significant a meeting with prayer?

I discussed the matter with several delegates from South America. We agreed it was a serious omission. Three of the Latin Americans and myself as spokesman went into a private consultation with the late Edward R. Stettinius, Jr., then Secretary of State and Chairman of the American delegation. He was in charge of all arrangements, since America was the host nation.

I have the most pleasant memories of Stettinius at San Francisco. His was a charming and gentlemanly personality. But he was outmatched by arrogance. He answered with obvious regret our question as to why there had been no prayer.

"I too am disturbed that there is no opening prayer," he said. "I believe and the United States delegation believes that we should have one. But the Russian delegates are against us in this matter and we do not want to start off our conference with a procedural wrangle. We want concord and harmony. So I ask you, please, do not insist upon an opening prayer."

What could we do! We had to yield to the whim of Russia. It would be the first of many such yieldings.

Then I felt my first doubts. The first day of the conference had only begun and already America had given in, and in a matter basic and paramount. We were to make this a godless conference.

By whose orders?

Stalin's.

Nevertheless, when I began my first speech at San Francisco with the words, "Let us make this floor our last battlefield," I believed with all my being that it would be so.

Picture of a Red Diplomat

A caucus of the chief delegates was held two days before the opening conference. It was carefully staged, by the Russians.

Delegates were milling about the hall, not having as yet been assigned to their seats, and talking in small groups in low voices. Then into the conference room rushed a whirlwind that swept the other delegates aside as if they were dust. It was Vyacheslav Molotov, chief delegate of Soviet Russia, surrounded by his bodyguards and making his presence known.

There was a rush of photographers all around this tumultuous personage. Everything else was forgotten as Molotov, with the determination of an army tank proceeding over a battlefield, made his way to the head table, where he took his seat as if by divine right and sat, under a spatter of flash bulbs, staring around him, arrogant, contemptuous, unsmiling.

There for the first time I saw the real Russia, and my impression was that this was no dignitary come in the role of peacemaker. This was the way a gangster-killer would make his appearance in some infamous dive. Molotov's swaggering entrance had pushed aside all dignity and courtesy. I found myself thinking, So this is Russian realism! This is the new Russia!

I was badly shocked.

No sooner was the meeting called to order than Molotov had the floor.

Now, in all international conferences it is the accepted custom that the chairman of the delegation of the host nation acts as presiding officer. Molotov, machine-gunning his demands in the voice of authority, demanded that the ban be put on that custom. Instead of the United States being left in the chair, Molotov wanted five chairmen, the heads of delegations of the Big Five, to serve in turn, alternating alphabetically.

This was a direct slap in the face of international courtesy and obviously aimed at the United States.

(Continued on page 88)

NORTH AMERICAN HAS BUILT MORE AIRPLANES THAN ANY OTHER COMPANY IN THE WORLD

Engineers: North American offers unusual opportunities. Write: Engineering Personnel Office, Los Angeles or Downey, California; or Columbus, Ohio.

READY! AMERICA'S FIRST SUPERSONIC SQUADRONS

North American F-100 Super Sabres—now on active operational duty with the 479th Fighter Wing at George Air Force Base, Victorville, California—form America's first Supersonic Squadrons . . . a powerful new defense force unequalled anywhere in the world.

Exemplifying a totally new concept for modern air power, the North American designed and built F-100 Super Sabre flies beyond the speed of sound in level or climbing flight, and is designed to perform equally well in air combat or close-support bombing missions.

This year, to better meet our Air Force needs, North American will produce F-100 Super Sabres at its Columbus, Ohio plant in addition to continued production at Los Angeles.

Constant research and development keep North American foremost in aircraft, rocket engines, guided missiles, electronics and peaceful applications of atomic energy.

ENGINEERING AHEAD FOR A BETTER TOMORROW

NORTH AMERICAN AVIATION, INC.

. . . "I was fated to oppose each of the Russian delegates in turn, from Molotov to the late Mr. Vishinsky, finding them always cut from the same Moscow pattern—ruthless, incomprehensible to the honest and well-intentioned, and dedicated to the goal of beating down all who opposed"

I could only be reminded of the comic strip "Keeping Up With The Joneses." Here was Russia, who always before had been the losing nation, defeated even by little Japan, at last placed on the winning side. Having helped in victory, Russia was now all too obviously planning to arrange peace on its own terms, and without the ability or training to understand the simplest forms of international courtesy, or the needs or desires of any other nation.

"The New Russian Doctrine"

Exequiel Padilla, Foreign Minister of Mexico, a man of distinguished appearance and a remarkably fine speaker, was one of those who opposed Molotov in this surprise move, and his protest was made in beautiful, flowing language. This was something the Russian delegate could not comprehend. No sooner had Padilla taken his seat than Molotov was again on his feet claiming in the most discourteous tone that the "memorized speech" of the delegate from Mexico did not hold.

This was not only an insult, it was an obvious falsehood. Padilla had had no chance to memorize or prepare a speech, for how could anyone have foreseen that such a startling issue would come up? Molotov himself had raised it. Here was a twisting of the truth that left an opponent helpless.

So this was the new Russian doctrine! Bulldoze and bewilder, from the start.

At this point I was not only shocked, but, to put it bluntly, I was scared.

I had not intended to speak. I was a nobody—the Philippines was not yet independent. But I was so disturbed I asked for the floor and declared myself as siding with Padilla.

Molotov did not even take the trouble to answer me. He sat back in his chair studying me with silent contempt.

I sat meekly under that basilisk stare repeating to myself the words Stettinius had impressed upon us in private: "Concord and harmony." We were to maintain those at the Peace Conference, no matter what the cost.

Molotov won, of course. The delegates of half a hundred nations—the entire conference—yielded to Molotov because we were in San Francisco in the interests of peace, and we did not want to blast all chances of peace at the start.

More frightening experiences were to follow. From that day on through the next eight years, from 1945 to 1953, I would follow my course in the United Nations from San Francisco through London, New York, Geneva, and Paris with the sense of treading on dynamite. Mine was the role of the gnat buzzing about the head of the Russian bear, and I could not escape the role. I could not be silent against the sound of treachery and insolence, and I was fated to oppose each of the Russian delegates in turn, from Mototov to the late Mr. Vishinsky, finding them always cut from the same Moscow pattern—ruthless, incomprehensible to the honest and well-intentioned, and dedicated to the goal of beating down all who opposed.

My San Francisco headquarters was in the St. Francis Hotel, where the Russian delegation was also staying. I think it was the day after the caucus that I was approached in the lobby by a young man who spoke perfect English and who invited me into the bar for a drink. He explained he was attached to the Russian delegation and he was interested in knowing if I planned to attend a party Molotov was giving in the hotel; he knew I had been invited. He pressed me to attend, and I promised to go. I could not help but be curious about meeting Molotov at first hand.

The young Russian talked of the Filipinos and the fight we had put up on Bataan. He seemed to know a great deal about us. He had read my book, *I Saw the Fall of the Philippines*. He had many questions to ask. I recall the first: "Isn't it true that the Americans practically abandoned you in the Philippines?"

I said quickly, "Not abandoned! They were outnumbered."

He mentioned the blacked-out spaces in my book where certain words and passages had been deleted. I pointed out that the book had been published in wartime when there must always be strict censorship and the War Department had used caution.

"Probably," he remarked carelessly, "those were references to the brown men fighting against the whites which the Americans did not want revealed."

The talk made me a little uneasy, but I assured him that he was wrong and that the deleted statements were of a nature that would not have been a help to our war effort, for which purpose the book had been written.

It was always "we," I noticed, when he spoke. He did not seem to think of himself as an entity and it was always a mass conviction that he voiced, as if he had no opinions of his own. Suspicion dawned in me that he had been appointed by the Russian delegation to serve as liaison officer with our Philippine delegation. He did not admit this, then or later, but all his conversation pointed that way.

I excused myself and got away, determined to avoid him from then on. Unfortunately, I had happened to mention that I always rose early, and he had instantly remarked that he too was an early riser. Every morning after this, for a week, he was in the coffee shop when I entered, hovering about, and making every excuse to join me at my table.

Soviet Theme: Hatred

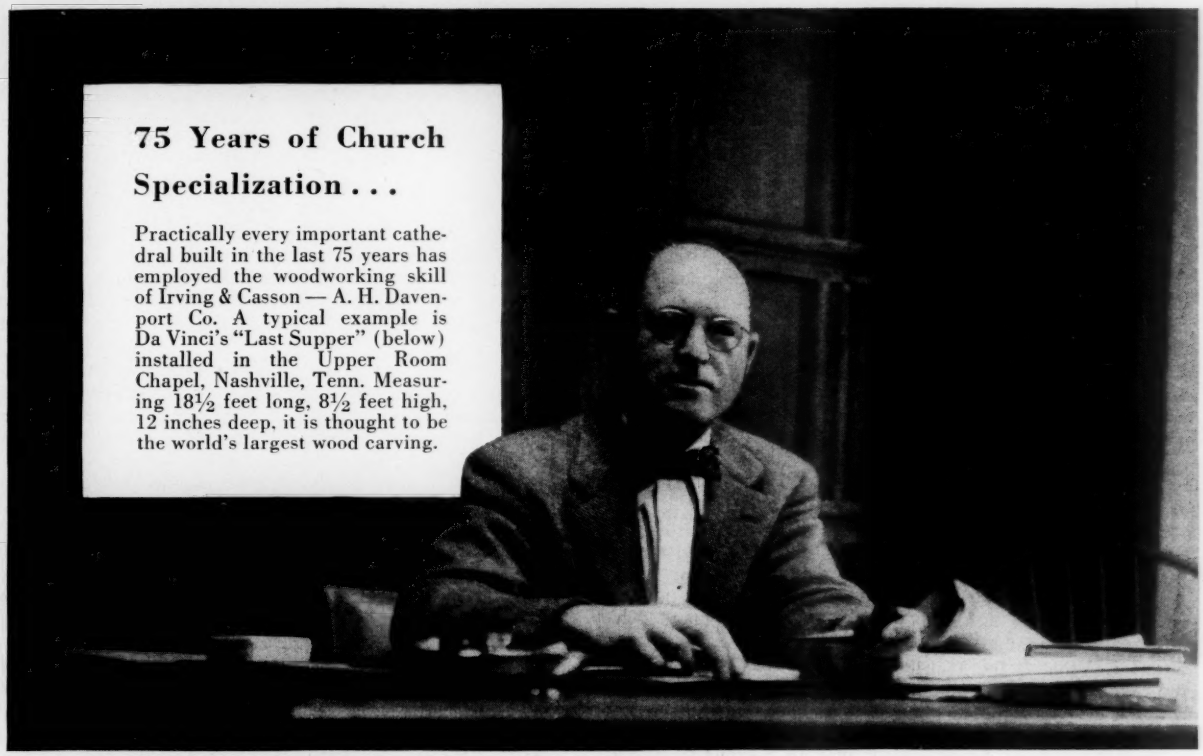
I began to recognize a recurrent theme in our conversations. It was the hatred of Russia for America. He would pursue the racial problems at every turn. The Negro's lot was always at the tip of his tongue and it was his answer to all pro-American argument. "Those poor people," he would say. "Do you not pity them?"

Then he would drop in a remark like this: "Of course the United States isn't really giving you Filipinos your independence. They're just playing along with the Cuban sugar interests."

And he would make the suggestion I was to have impressed upon me by every Russian I met in the United Nations in the succeeding years: "You Filipinos belong on our side. You belong with Asia, not with the Americans."

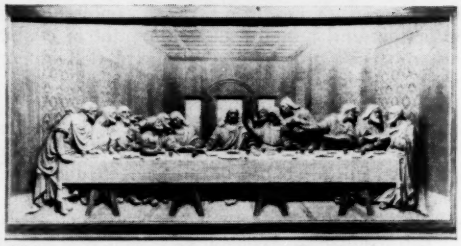
One morning he dropped a casual remark: "Since you are planning to vote for the admission of Argentina . . ."

(Continued on page 90)

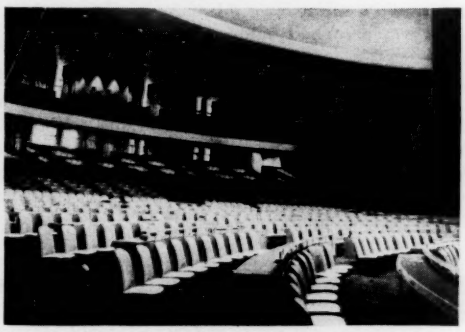


75 Years of Church Specialization . . .

Practically every important cathedral built in the last 75 years has employed the woodworking skill of Irving & Casson — A. H. Davenport Co. A typical example is Da Vinci's "Last Supper" (below) installed in the Upper Room Chapel, Nashville, Tenn. Measuring 18½ feet long, 8½ feet high, 12 inches deep, it is thought to be the world's largest wood carving.



Nine carvers, working in the Cambridge plant, spent almost a year in the completion of this reproduction of Da Vinci's work.



UNITED NATIONS BUILDING—Delegates' desks and chairs in General Assembly room at the United Nations are further examples of the craftsmanship of this century-old woodworking firm.

"Without it our buildings would not be standing today"

"At our factories in Cambridge, Mass., a flash fire occurred last December in the paint department", relates Mr. C. A. Thurston, Treasurer, Irving & Casson — A. H. Davenport Co., furniture manufacturers and custom builders of woodworking specialties. "Had it not been for our Grinnell Sprinklers going into action immediately, I am honestly afraid to think of the consequences."

"Most of our buildings are well over 125 years old. To replace them would cost perhaps a million and a quarter dollars. That is why we installed Grinnell Sprinklers as far back as 1900.

"Over the years we have had our share of fires. But on every occasion, our Grinnell Sprinkler System has been on the job and damage has been held to a few dollars. I am sure that without it our buildings would not be standing today."

Grinnell Sprinklers stop fire at its source, wherever and whenever it strikes, night or day, with automatic certainty. 77 years experience proves this. Moreover, a Grinnell Sprinkler System will often pay for itself in a few years through reductions in fire insurance premiums. Grinnell Fire Protection is an investment that pays real dividends . . . any way you look at it. Grinnell Company, Inc., 286 West Exchange Street, Providence, Rhode Island.

GRINNELL

PROTECTION AGAINST EVERY FIRE HAZARD

Manufacturing, Engineering and Installation of Automatic Sprinklers since 1878

. . . "Those who say the Russians are not diplomats are wrong. They know where it is effective to show courtesy and when it will make a sounder impression to behave like gangsters"

These words alarmed me. The question of Argentina's membership had become a controversial item, exploited by the Soviet delegation in its drive to secure membership for the Ukraine. I said hastily that I had not yet received instructions from my government, and I left him. This time I determined to get rid of him for good, and had my breakfast brought to my room, explaining to him when we met that I was holding early-morning conferences and would no longer go down to the breakfast room.

But in looking back over the points he had brought up in our conversations I realized I had been permitted an advance glimpse of the long-range Russian objective.

I warned my Filipino fellow delegates: "Be careful of that young man. Beyond doubt he has been assigned to our delegation to try to win us to Russia's side."

Directly after I showed my coldness to the young Russian I spoke in session at the United Nations. As I sat down, Molotov demanded the floor. Pointing at me, he demanded bitterly: "What is the Philippine delegate doing here? And the delegate from India? These two countries are not independent and they should not be here."

From that hour on we were adversaries.

That did not prevent him from inviting me to his parties, which were the most splendid given in the United Nations. Never have I seen such luxury as was displayed at the first party given by Molotov in the St. Francis Hotel. The entire conference was crowded into the largest ballroom, where tables were covered with the most costly delicacies, and I was particularly impressed by an enormous flag in colored caviar. The hammer-and-sickle was made of red caviar; it was an object of mouth-watering beauty.

Molotov proved to be the most affable of hosts. Urbane, bland, well-mannered, he moved about with a word for everyone. What a change from the juggernaut of the sessions!

As the conference wore on I noticed that Molotov gave private dinners to each of the delegations in turn, and that he scrupulously attended the parties given by all the other delegates. Also, whenever a chief delegate spoke, Molotov was the first to reach his side with congratulations.

Those who say the Russians are not diplomats are wrong. They know where it is effective to show courtesy and when it will make a sounder impression to behave like gangsters.

Their lavish entertaining in San Francisco brought to mind a memory of a Rotary Convention I had attended in Cleveland long before the war. At that convention everyone yielded before the delegate from Japan, who was both friendly and firm in purpose, and who had arrived with two large trunks filled with the most exquisite gifts—fans, kimonos, fancy shirts—for the United States delegates. These he had dealt out to the United States delegates with a lavish hand, and that night he had come to my room and his first words to me in private were a contemptuous attack on the United States.

The Russians were playing the same game. They drew the spotlight on themselves and flattered the American delegates with lavish affairs. In private they never missed an opportunity to belittle America. Their attempts to poison minds showed them to be no friends of the United States.

I parried their insults against America too many times. After a time they gave me up as hopeless.

But they were royally entertained in San Francisco. They were shown everything. Docks, shipyards, industries of every kind—all were opened up before the Soviets.

I told my friends Charles Wheeler, former president of Rotary International, and Fred Stevenot, once president of the Bank of America: "Why are the important places of defense being shown to the Russians? Look out for them. They are going to be your worst enemies."

But the best parties given in San Francisco in those days of the founding of the United Nations were given in honor of the delegates from Russia.

Again, I warned the members of my own delegation: "These Russians are not here for a peace conference. They are here to perfect and promote their blueprint of conquest. Watch between their words for the outline of that blueprint. It will be similar to the one followed by Japan."

I would be proven right. In every country Russia has attacked, she has followed the pattern attempted by the Rising Sun. I left San Francisco firmly convinced that sooner or later there would be a rift between the Soviet Union and the United States.

My admiration for Russia was gone. It had been replaced by the darkest suspicions. What I had seen and heard in San Francisco had made me positive that while the plan of the Rising Sun had failed, Russia had taken it over, determined this time to make it work. It was clearly a global plan to be put into effect all at once on many fronts.

The attack was launched before we knew.

We attained our independence the year after the founding of the United Nations, and shortly after I again took temporary leave of my duties in the United Nations and returned to the Philippines at the request of President Roxas to campaign for the approval of the Philippine Trade Act, which was to be voted on in a national plebiscite.

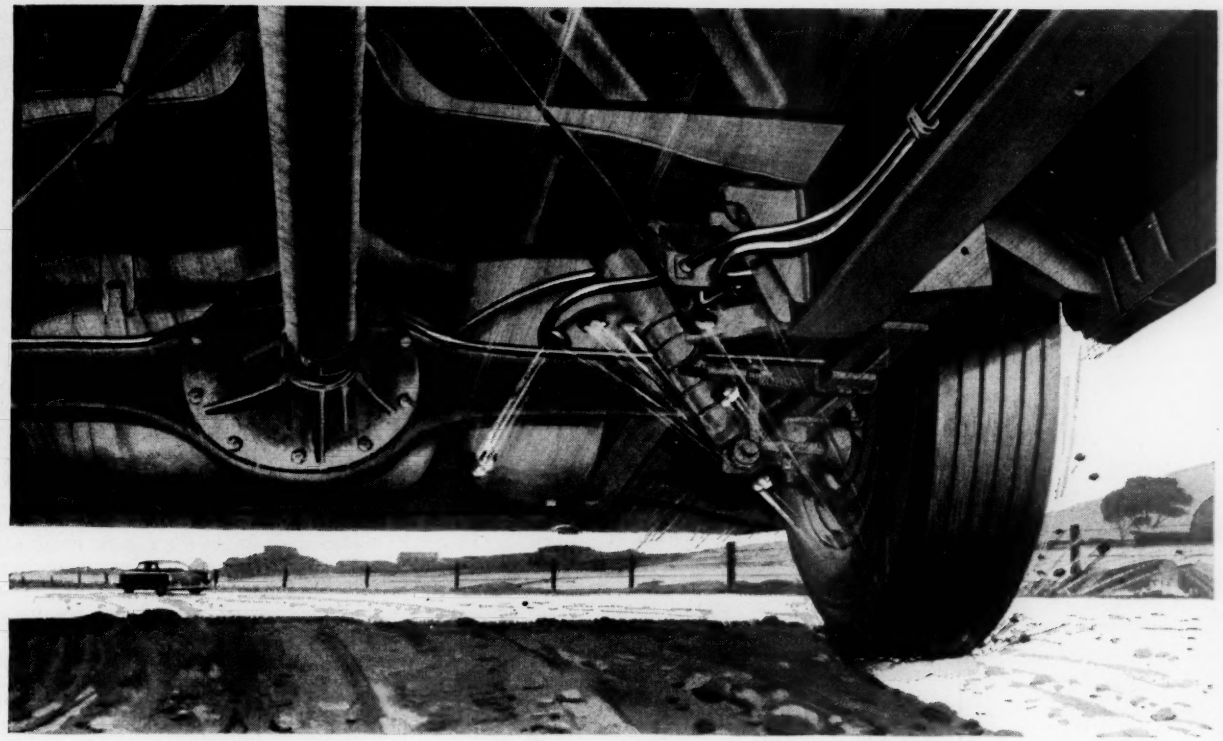
• • •

CHAPTER II — How Red Diplomacy Works

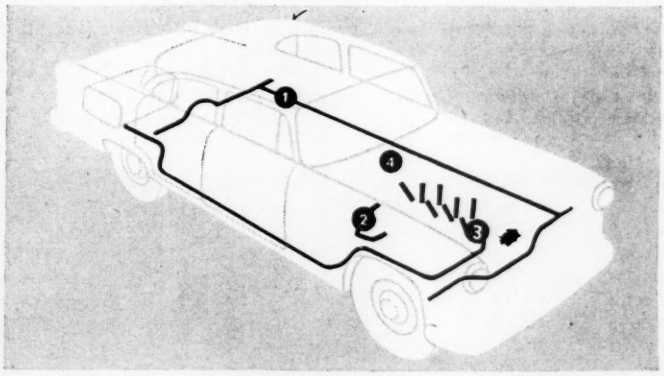
TRAVELING over the Philippines making speeches, I found the people were buoyant and confident, and praise of Roxas was heard everywhere. And still, carping voices were heard. Roxas and his splendid supporters worked under a running fire of disapproval. The Trade Act had come under the fire of the Communists; they had served, then, to bring me home.

Right away, I shared the barrage of Red hatred. It seemed

(Continued on page 132)



Only Bundyweld Steel Tubing can take punishment like this!



The hydraulic brake lines under your car take a terrific year-in and year-out beating. Jolting stops, jarring vibration, stop-and-go driving in traffic — all place a heavy strain on your brake lines. And think of the additional punishment on rough roads — when flying stones smash against them.

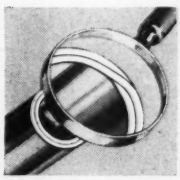
Fortunately for you, the manufacturers of today's high-speed cars recognize the hazards your automobile undergoes. That's why they equipped your car with brake lines of rugged, dependable, double-walled Bundyweld STEEL Tubing. Only STEEL tubing is tough enough to take such punishment and last the lifetime of your car. In fact, Bundyweld's strength far exceeds any shock-loading pressures involved in emergency braking. No wonder Bundyweld is used *in 95% of today's cars in an average of 20 applications each.*

1. Brake lines of extra-strong, dependable Bundyweld help assure you that you'll stop in time—when stopping matters.

2. Oil lines of leakproof Bundyweld help keep oil where it belongs. No costly repairs or ruined engine for you.

3. Bundyweld helps gasoline lines stay smooth, leakproof despite battering from flying stones, punishing vibration.

4. Tough, lightweight push rods of Bundyweld help engineers produce more powerful overhead-type engines.



Made by the world's largest producer of small-diameter tubing, Bundyweld Steel Tubing is the only tubing double-walled from a single metal strip, copper-bonded through 360° of wall contact.

BUNDYWELD TUBING®

"The lifelines of your car"

BUNDY TUBING COMPANY • DETROIT 14, MICHIGAN

Buy.... Sell.... or Hold?

Sometimes it *is* hard to make up your mind about certain securities, particular stocks.

Too many important facts just don't seem to add up.

In such confused times, almost every investor finds it more difficult to make clear-cut decisions—so a lot of them don't even try.

We think that's bad.

Because very often the right answer today means the difference between profit and loss tomorrow . . .

Because there are any number of places an investor can go for the help he needs in reaching the right answers—for him.

Here at Merrill Lynch, for instance, our Research Department gets a steady stream of facts and information from all over the country, works constantly to sort out the important ones, carefully evaluates them all in terms of the investor's interest. So maybe that's why Research can usually come up with a pretty good answer to any question concerning buy . . . sell . . . or hold.

If you'd like to know what that answer would be as regards any particular stock . . .

Or if you'd like to have a detailed analysis of your complete portfolio in the light of your over-all financial situation . . .

Just ask.

There's no charge of any kind, no obligation either.

MERRILL LYNCH, PIERCE, FENNER & BEANE

70 Pine Street, New York 5, N. Y.

Offices in 106 Cities

LIFE AROUND THE WORLD®

memo

FROM ENGLAND

CITY WITHOUT NEWS

LONDON—It is an ironical turn of events that Sir Winston Churchill, Britain's biggest news maker, had no London newspaper clippings on the day of one of the biggest stories of his long career—his retirement as Prime Minister.

A strike of 700 workers closed all of London's 22 newspapers and clamped a virtual news blackout over this city during Sir Winston's last days as leader of the Government.

Londoners had to get the news by radio, by television—and frequently by word of mouth. Some of them didn't get the news at all.

London's strike shut off the daily news much more thoroughly than did the New York newspaper shutdown of 1953.

Here, out-of-town dailies provided only a thin trickle of news by comparison with the outside newspapers that New Yorkers were able to buy.

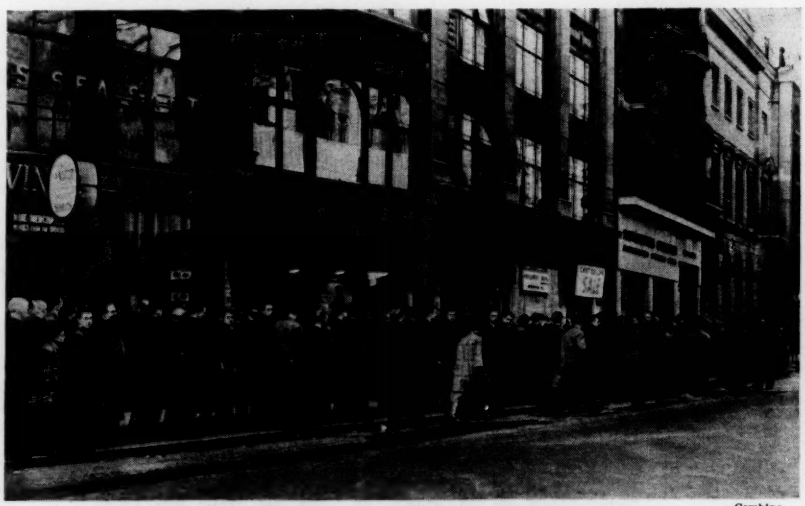
Papers such as the *Manchester Guardian* continued to publish, but they refused to increase their regular London sales even for such a historic event as Sir Winston's retirement. Newspaper owners in Britain are tightly organized and have a "gentlemen's agreement" not to take advantage of each other's troubles.

Even the Communist *Daily Worker*, closed by a separate printers' strike, respected that agreement upon settlement of its dispute. It resumed publication just after Sir Winston's retirement—but the Communist editors promised not to increase their normal daily press run of 90,000 copies.

Nor could Britons get nearly as much satisfaction from radio and television news programs as Americans do. The British Broadcasting Corporation stepped up its news programs, but there were complaints that BBC news was dry and uninteresting.

Many Londoners turned to makeshift means of getting the news.

The bus or subway became a news



—Combine

WAITING FOR OUT-OF-TOWN NEWSPAPERS
. . . a Londoner without his paper is a frustrated man

center. The "man in the street" often asked his conductor to repeat the gist of the early morning radio news bulletin. Many conductors, in this way, developed into unofficial town criers, calling out the news through crowded aisles. Passengers lucky enough to have out-of-town newspapers held them up so several people could read them at the same time.

Shyness departs. All in all, an atmosphere developed that reminded many people of World War II when Londoners bore their hardships together.

Customary British reserve broke down as news hunger grew. Total strangers started up conversations to get the latest news. Shopping queues, absent since the end of rationing, reappeared wherever newspapers were on sale.

None of these things, however, really kept Londoners abreast of the news. Without newspapers to give them the details of Sir Winston's retirement, they missed the drama of the occasion. Crowds showed up at Buckingham Palace when Sir Winston presented his resignation to the Queen. But many persons in those crowds were puzzled by the commotion and asked what was going on.

A news blackout like this has never happened before in London—not even during the general strike of 1926, when emergency editions were published. So upsetting was the situation that Sir Winston was reported ready to postpone his retirement until the strike ended.

The strike, itself, was the result of a wage dispute between publishers and several unions. Only two unions struck, however. One, representing electricians, is Communist-dominated. The other, consisting of machinery-maintenance men, has several Communist spokesmen.

Few deprive many. Together, these unions account for less than 5 per cent of the mechanical employes of London's newspapers. But they were able to close down 22 newspapers with a total weekday and Sunday circulation of more than 50 million, as other workmen refused to cross picket lines.

Most Londoners were anything but sympathetic toward the strike.

Here, the average man takes his newspaper reading more seriously than almost anyplace else in the world. He thinks nothing of buying two or three papers a day to keep himself informed and entertained by a variety of reading matter—political news, sensational crimes, racing tips, crossword puzzles and even light fiction.

At any time, a Londoner without his newspaper is a frustrated man—and he is all the more frustrated these days. For months, London's millions had talked about Sir Winston Churchill's forthcoming retirement. When that event had come and gone, they still were trying to catch up with the details of what happened.

"Funny! Every time I get a new slant, I wind up with a factory in New Jersey."

Nothing funny about it — we're fond of those single-track-minded individuals who can't see anything but New Jersey as their industrial home.

If you wander all over the lot and suffer the lack of plant-site fixation, we suggest you write us for guidance.

Write Box C, Public Service Electric and Gas Company, 82 Park Place, Newark, New Jersey, for "Take a Look at the Crossroads of the East."

PUBLIC SERVICE
...AT THE CROSSROADS OF THE EAST

How many of your company's products can you find in this modern kitchen?

Today's modern kitchen is a showcase of scores of products made by America's major manufacturers. Skillets and pans, appliances and cabinets are only a few.

In almost any kitchen, too, you're sure to find a surprising number of wood fiber products of Kimberly-Clark.

For instance, in this kitchen the cabinet shelves are lined with plastic-coated Marvalon. The woman is using Duo-Dustin, the disposable dusting paper. And the little girl is polishing the sugar bowl lid with Silver Sheets, the impregnated silver polishing paper. All three of these products are made by a subsidiary of Kimberly-Clark.

Notice the gaily patterned kitchen wallpaper—it's one of the new plastic-coated papers designed by Katzenbach and Warren, a division of Kimberly-Clark.

The Dormeyer electric coffee maker, the Mixmaster, the Admiral radio—even the electric range—were once wrapped and protected during shipping with Kimpak, Kimberly-Clark's soft, shock-absorbent packaging material.

Hundreds of products made from wood fiber exist today to make American business more profitable—to make the everyday lives of Americans more comfortable. Many more wood fiber products are now being developed. And, in the future, still others will come from the minds of the men at Kimberly-Clark.

Kimberly-Clark

KIMBERLY-CLARK CORPORATION
NEENAH, WISCONSIN

News YOU Can Use ®

IN YOUR PERSONAL PLANNING

24th and N Streets, N.W.
Washington, D.C.

Expect income tax returns in the current crop to get a more thorough going over by the Internal Revenue Service than ones last year got. Here's why:

TAX CRACKDOWN. Top tax man, T. Coleman Andrews, has added 1,500 new tax auditors to his staff for combing returns. Also, 2,000 others have been freed from routine collection work to concentrate on examining tax returns. Result is that more taxpayer errors are being uncovered--usually honest errors, Mr. Andrews says, but seldom made in the Government's favor. For example, last year 68 out of 100 returns claiming refunds erred. This year returns asking refunds --especially where the amount seems out of proportion--will get special scrutiny.

CHECKING RETURNS. Every one of the nearly 60 million individual returns now being filed will get checked for mathematical accuracy. Some--best guess is around 2 million--will get a thorough auditing.

Don't conclude, though, that the chances are 30 to 1 against your return's being looked into. Biggest bulk--81 per cent--of all returns are in the under-$5,000-income class; they are spot checked. The rest, relatively few but accounting for a hefty share of the tax take, run more checkup risk.

Until recently, few returns in the $8,000-to-$25,000 class were audited because of a conflict in IRS staff duties. But that's now fixed. Also, you can now count as a sure thing that every return above $25,000 will get a going over.

TIP-OFFS ON ERRORS. Tax agents watch for excessive medical-expense claims, improper exemptions and deductions out of line with income as tip-offs to taxpayer errors. Also, returns of doctors, lawyers, liquor dealers, used-car dealers and real estate brokers--among others--get close study. Sometimes, too, tax men get a lead on evasions from envious neighbors, jealous wives, disgruntled employes or business competitors.

U.S. citizens living abroad also are in for more tax attention. The IRS sent 22 agents overseas last year at taxpaying time, uncovered sizable shortcomings. Now it is opening four new permanent offices abroad.

OLD-AGE PENSIONS. Can a farmer and his wife both become eligible for Social Security benefits on the basis of their earnings from the farm? The answer isn't simple, and facts in the individual case would decide. But, where the couple holds the farm jointly as co-owners, and both spouses participate in the farm operation and management, chances are each could claim coverage. They

(over)

would have to report their share of the farm income separately for Social Security tax purposes, however. If the wife owns none of the land or equipment, or puts no money into the venture, she probably would have trouble qualifying.

CIGARETTE FILTERS. This from a new study by American Medical Association: A filter tip on a cigarette does cut down the nicotine and tars reaching your mouth somewhat--but only if you smoke no more than two thirds of the cigarette. Asbestos-paper tips can give a slight protection edge. But an ordinary cigarette itself, smoked to an inch and a half long, filters as effectively as any tip.

HEARING AIDS. There's confusion about a recent court case involving an income tax deduction on the cost of maintaining a hearing aid. It's true that the U.S. Tax Court ruled against a taxpayer who claimed such a deduction as a business expense. That doesn't mean, however, that on your personal return you are barred from counting the hearing aid's maintenance cost--or its purchase price--in figuring a medical-expense deduction.

VACATIONING IN ENGLAND. This from our London office:

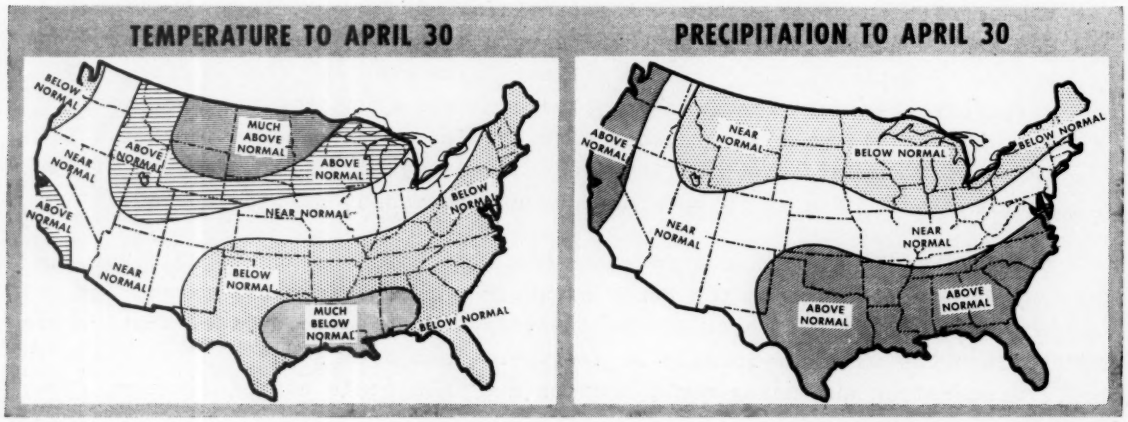
Britain expects a record tourist trade this summer. Advance reservations are unusually heavy on ships and planes, in hotels and theaters. Americans planning vacations there need to nail down their reservations.

Crowds will be greatest during July and August. The influx of foreign visitors will reach a peak then, and the local vacation season will be on at the same time. Result: a scramble for space in popular places.

May, June or September often turns out to be a better time to visit England. Weather usually is good then. Prices of some things are lower, too.

PARTY SNACKS. Looking for something different in tasty tidbits? Department of Agriculture scientists have developed some new vegetable snacks that may be on the market soon. One is a potato puff--pillow-shaped and fat-free, with a crunchy texture. Another is a nut-like nugget made by frying peas and lima beans in deep fat. Also, there are vegetable chips--akin to potato chips but with their own characteristic tastes--made from beets, carrots and parsnips.

WEATHER. No letup before the end of April in the unseasonable coolness plaguing the South--that's the Weather Bureau's outlook as seen in these maps:



How to talk to a man who's too busy to listen

HE MAY BE too busy to talk when you call. He can put your letter aside for days. But there's *one* message he *won't* ignore . . . and that's a *telegram!*

Telegrams wing in with a calculated air of importance. They keep the facts straight and easy to understand. And by giving *urgency* to your message, they get prompt action and results.

So next time, hit your target the quick, sure-fire way. Just use Western Union and *wire* the man!

when it means business **it's wise to wire**

WESTERN UNION

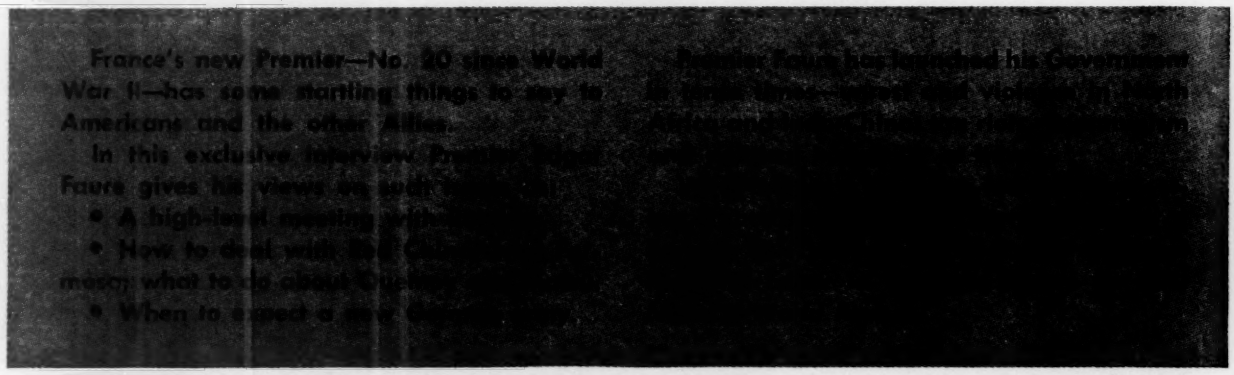
Now, You Get More in Telegrams

You get 15 words instead of 10 to start with in fast wires . . . extra words cost only pennies. More words in night letters, too.

WESTERN UNION

Interview with PREMIER OF FRANCE
Edgar Faure

WARNING FROM FRANCE



France's new Premier—No. 20 since World War II—has some startling things to say to Americans and the other Allies.

In this exclusive interview, Premier Faure gives his views on such questions as:

- A high-level meeting with Russia?
- How to deal with the Red Chinese menace; what to do about Quemoy?
- When to expect a new German army?

At PARIS

Q Premier Faure, do you think that German rearmament may be held up pending a Big Four conference with the Russians?

A I would not link those two questions in such a fashion. I consider that we should move to strengthen Western security and at the same time proceed to negotiate with the Russians.

Q You don't agree then with the view expressed in Germany that recruitment should be delayed until after a conference with the Russians?

A No. I do not think that the eventual recruitment of German military forces should be delayed by negotiations with Moscow. But neither do I think that negotiations with Moscow should be delayed until German military forces have been recruited.

Q What is the timetable for German rearmament, now that France and Germany have ratified the Paris Accords? When will the first German soldier be recruited?

A I don't know that.

Q Sometime this year?

A That would seem difficult to me.

Q Why?

A I have heard it said that it would take some time to put the plans into effect. And the Germans have said so themselves.

Q Do you have in mind delays in passing the necessary enabling legislation through the German Parliament?

A Possibly.

Q Do you think German troops are necessary at present for the defense of Western Europe?

A It is impossible to defend a country without the participation of its inhabitants. Since the defense of Western Europe includes the defense of West Germany, it must comprise a German military effort. This military effort is less important in itself than in the fact that it establishes agreement among the Western powers on a system of defense that is called "the forward strategy."

Q What is this "forward strategy"?

A It means that in the event of aggression in Europe, defense will be assured on the Continent itself and not by a peripheral strategy which might permit another occupation of Europe.

But I want to emphasize again that we must not only build military strength; we must make an equal effort to negotiate a settlement with Russia. To seek negotiations without strength is futile. To seek strength without negotiating can lead to disaster.

Q When do you think a conference with Russia should be held?

A As soon as possible. I see the ratification of the Paris Accords not as an end in itself but as a starting point for negotiations. To avoid any delay, just before the debate on the Paris Accords in the French Senate, I proposed to the U. S. and Britain that experts representing our three countries meet as soon as possible to prepare for a four-power conference with Russia.

Q Do you want the experts to meet this month?

A Yes.

Q Would that permit a conference with Russia to be held by July?

A I would welcome it, if it were possible. And this doesn't seem to me impossible.

Q What reaction have you had to your proposal?

A I have been pleased with the reception given to my proposal and I can say, in particular, that our British allies have approved it. The recent statement by President Eisenhower goes in the same direction. In addition, the declaration of [Soviet Premier] Marshal Bulganin can be interpreted as an encouraging sign.

Q Churchill has proposed a meeting "at the summit," among the four chiefs of government. Do you favor that?

A Yes.

Q The U. S. seems to favor negotiations with the Russians through diplomatic channels, leading up to a conference of

Copyright 1955, By U. S. News Pub. Corp.

West Has to Deal With Russia . . . Can't Ignore Red China . . . German Settlement Still Far Off

foreign ministers, perhaps next autumn. Would you accept that as a substitute?

A I believe we can move more quickly than that. Preparations through diplomatic channels would be useful. It might be that a conference of the four chiefs of government should be preceded by a meeting of foreign ministers. In this case, France would be represented by our able Foreign Minister, Antoine Pinay, a former Prime Minister whose views are exactly the same as mine, and who will, of course, accompany me to a meeting of heads of government. The consultations in the coming weeks among the U. S., Britain and France should permit us to concert our views on that subject. But if we want to achieve results, we must undoubtedly one day come to a four-power meeting at the highest level.

Q Who is the "summit" in Russia?

A It is up to Russia to say.

Q You would be willing to meet with Premier Bulganin, even though Khrushchev, as head of the Communist Party, is the real boss?

A It is not up to me to give an opinion on who is the boss in Russia. I can give an opinion as far as France is concerned.

Q Some Americans think the Yalta documents which recently were published show that there is little to be gained by negotiating with the Russians. What is your opinion?

A Since France did not participate in the Yalta Conference, one cannot draw any conclusion on this subject.

Q France signed an alliance with Russia a few months before Yalta. But Stalin and Soviet Foreign Minister Molotov made many critical remarks about France at the Yalta Conference. Does this discourage you at all from negotiations with Russia?

A I do not think that policy can be determined by considerations of that kind.

Q Do you think it is possible to achieve a real settlement with Russia, or just a stalemate?

A I think a true settlement is possible.

Q Do you think this could be achieved quickly?

A I cannot say.

Q How do you think peace can be made with Russia?

A By working with good will to resolve all the different problems that confront us.

Q Sir Winston Churchill proposed a meeting without agenda, while the U. S. seems to feel that a specific list of subjects is essential. What is your view?

A I believe it is preferable to have an agenda. But I am not absolutely opposed to a meeting without one.

Q You are willing to talk to the Russians about any subject that is raised?

A It would be better to work on a list of subjects fixed in advance, but countries with good will need not fear any species of subject.

Q Which problem do you consider most important to be solved first?

A No problem is more important than any other. What is essential is the attitude with which the problems are approached. There are, however, three problems that are particularly urgent: unification of Germany, the Austrian peace treaty and European security.

—United Press

PREMIER EDGAR FAURE

Q What do you mean by European security—disarmament?

A There could be a gradual, controlled reduction of armed forces on both sides of the Iron Curtain. But this must be done within a context that provides continuing security for Europe. The Soviet proposal to suppress armed forces in certain European zones could create a situation in which 175 Russian divisions remained a few hundred miles from our frontiers while the American forces returned to Virginia and Texas. That is why any discussion of disarmament must be related to the problem of European security.

Q You want American troops to remain in Europe?

A In general, the presence in Europe of American forces is a guarantee for peace and for our security.

Q How long do you think American troops will have to stay in Europe?

A It is impossible to say.

Q If the Russians agree to free elections to unify Germany, on condition that Germany be neutralized and remain disarmed, would you favor such a solution?

A Germany must recover her sovereignty, either in unity

(Continued on next page)

. . . Permitting German rearmament: "A difficult decision"

or otherwise. External forces cannot keep a sovereign country in a neutralized condition. Furthermore, a disarmed Germany would leave a military vacuum in the center of Europe.

It is necessary that a minimum of armed forces, therefore, be maintained in Germany, either German forces or the forces of the former occupation powers. The problem could be one of limiting and reducing these forces, East and West, to a level that permits tension to diminish.

Q Then, if the Russians propose immediate elections to unify Germany, on condition that the Paris Accords and German rearmament be jettisoned, you do not believe the Western powers would accept?

A I do not think that the problem is a problem of reunification and abandonment of rearmament. The problem is one of limiting arms in the present two zones of Germany which, at the moment of reunification, would become one country—and, at the same time, dealing with the problem of security.

Q Do you agree with Secretary of State Dulles, then, that the Paris Accords, once in effect, will be irrevocable? In other words, a Big Four conference could not alter the arrangements for German membership in the North Atlantic Treaty Organization and rearmament?

A If, through the success of a four-power conference, the situation is changed, if it becomes oriented toward a reunification of Germany, the Germans of the Bonn Republic without doubt would be the first to ask us to adapt our solutions to this new situation. That would presuppose, of course, for this new situation that there had been an agreement among the four great powers. As I understand it, that is the interpretation of your Government.

REDS TO LET GERMANY UNITE?—

Q If the day ever comes when free elections are held and Germany reunified, do you then foresee a withdrawal of Soviet and American troops from Germany?

A The day when we arrive at a reunification of Germany on the basis of free elections, with the construction of a genuinely democratic all-German government, the tension in Europe would be so diminished that the military interest of the great powers in Germany would itself be reduced.

Q Is it your opinion that the Russians now or eventually will agree to reunify Germany?

A I do not believe that the Russians, any more than we in the West, can ignore the fact that it will be necessary one day to reunify Germany. Are they ready to do so now? Do they envisage it for a future period? It is impossible to say. We might obtain some enlightenment on that at a four-power conference.

Q Do you agree with Secretary Dulles that German Chancellor Adenauer should participate at such a conference, which would become a "Big Five" conference?

A That would pose a very delicate problem, because the Russians then would demand the participation of the East German Government. Such a dispute might delay a conference a long time, or render it impossible. That is why I would not favor such a proposal. It is clear, however, that the Bonn Republic, which we have accepted as a partner in NATO, should participate with the Western powers in all the preparatory work designed to establish the position the West will take on German questions in a conference with the Russians.

Q Will the Germans actually take their seat in NATO by the time the North Atlantic Council of Ministers holds its next meeting in Paris in May?

A That depends on the various NATO countries which have not yet completed ratification of the Paris Accords.

Q The French Parliament has ratified the Paris Accords, but the instruments of ratification have not yet been deposited by the French Government. When will this happen?

A That is a matter which is in the hands of the executive branch of the Government and upon which I will decide in good time as the situation appears to require.

Q Does France intend to be the last to deposit her instruments of ratification?

A Not the first, nor the last.

"ACTIVE" FOREIGN POLICY—

Q Premier Faure, in recent weeks you and Foreign Minister Pinay have spoken several times of "relaunching" an active French foreign policy after ratification of the Paris Accords. You have implied that France will again fill her so-called empty chair at the diplomatic table. You have said you will press for a tightening up of the NATO Alliance. What do you have in mind?

A It was perhaps not a bad thing that France took so long to make up its mind to permit German rearmament. It was a difficult decision for Frenchmen to make after three German invasions in 70 years. It is well that the world should know that France agreed to this step only after serious consideration, not without reluctance, and with the desire to maintain the unity of the Atlantic Alliance. But the long delay had one unfortunate effect. It bred mistrust of France and reduced French influence within the Atlantic Alliance. Now that France has honored her word by ratifying the Paris Accords, we expect that demonstration of good faith to bring certain results.

Q What results?

A We expect France, as a nation with a world role and world-wide responsibilities, again to be treated as a member of the club by the other two world powers in the West.

Q What is it you want U. S. and Britain to do?

A We have already presented our proposals for a four-power conference. There are other questions that should be settled as well, such as policy in Indo-China and North Africa, including the question of Libya and the Fezzan.

Q What is it you want done about North Africa and Libya?

A I would like our allies to support the French position, and if they do this totally, no problems would arise. Atlantic unity must be reaffirmed in this sphere.

Q Have you informed the American Government about your specific desires?

A The previous French Government already had the occasion to do so. During his visit to the U. S. last fall, my friend Pierre Mendès-France [former French Premier] requested an American *démarche* to the Egyptian Government concerning the provocative broadcasts of Radio Cairo beamed at French North Africa. The U. S. should recognize that everything which weakens the French position—which is not a colonialist position, as some Americans think—weakens not only the military but the political strategy of the Western camp.

If you Americans were obliged to maintain alone the se-

curity of your air bases in Morocco, you would not have an easy task. We have behind us a century of North African and Moslem experience. That cannot be acquired in a day. My Government intends to take up these precise points again with the American and British governments in the coming weeks.

Q Is Libya one of these points?

A As long as we are speaking very frankly, I would like to say this: It is not normal that a country, which owes its independence to an American initiative, should maintain on its territory, close to the eastern borders of Tunisia, camps training men for guerrilla action, raids and assassinations.

Q What do you want the U. S. and Britain to do about it?

A We simply want the American and British governments to recognize that the last French governments have been sincerely pursuing a policy that should lead the peoples of North Africa toward an increasing degree of self-government. This task is difficult. It cannot be accomplished the day after tomorrow. It must be done by steps, otherwise it will lead to catastrophe. Each region—Tunisia, Morocco—is in a different stage of development and must be dealt with differently. Our task would be less difficult if the North Africans knew that French policy had the full support of the Western Allies. If they have the illusion that their anti-French actions are received with sympathy by the allies of France, our task will be made much more difficult.

Q Your predecessor, Mendès-France, was ousted from office in a debate over his Tunisian reforms. Does this mean that your Government is less interested than was his in promoting self-government in North Africa?

A I was a member of the Mendès-France Government as Minister of Finance and later as Foreign Minister. On many points, I pursued a similar policy when I was Prime Minister briefly in 1952. My present policy is based on the offer of self-government made last July 31 by Mendès-France in Carthage. This being said, it must be recognized that the Tunisian agreements negotiated under the previous Government provoked criticism in the French Parliament. A democratic government must take account of the parliamentary will.

Q How soon do you expect to have a settlement in Tunisia?

A We hope for an agreement by mid-April.

HOW FRANCE AIDS TUNISIA—

Q Will it be possible to make a similar grant of self-government in Morocco?

A The problem is not the same. France has been in Tunisia since 1881. Our presence has enabled the Tunisians to complete their apprenticeship in Western ways, European civilization, democratic ideas, French culture. Many generations have been educated in French schools. There is an intellectual class capable of running a governmental administration.

Our entry into Morocco dates, in reality, from 1912. Only after the first World War, in 1919, was the adaptation of Morocco to modern Western civilization begun. Internal order was established and Morocco unified under French administration only in 1927. If you subtract the years of World War II, when progress halted, there have been barely 25 years of work in Morocco. There is a need in Morocco for time in which a class of people can acquire modern methods and little by little build a government.

I want to point out, however, that the political demands now being made in North Africa themselves prove the effectiveness of the French effort. The idea of liberty, of self-government—where did the North Africans get these ideas? At the Sorbonne [part of the University of Paris] and in the Latin Quarter of Paris. When today neighboring Arab countries claim that they have stimulated North African ideas of independence, they are dealing in illusions. One does not always see independence or liberty reign in these countries. Nor social programs.

Q Is there Communist influence behind some of the North African trouble?

A Islam normally is not a favorable terrain for Communism. There is no connection between the leaders of the Tunisian nationalists of the Neo-Destour Party and the Communists. As for the Istiqlal Party in Morocco, I cannot reply with the same certainty, although this party has always denied any Communist ties. But there is no doubt but that the agitation in North Africa pleases the Communists, and they are certainly seeking to infiltrate there. That is another reason why it is essential to establish a firm unity of the Atlantic powers on matters of North African policy.

TROOP STRENGTH IN AFRICA—

Q Is it true that the disorders are forcing France to maintain more than a quarter of the French Army in North Africa?

A There is certainly an important proportion of our armed forces there. At present, order reigns everywhere in Tunisia. In Algeria, the trouble is limited to a single region in the Aurès mountains. In Morocco, we have restored order everywhere except for the city of Casablanca, where we now plan new measures to eliminate terrorist acts.

Q Premier Faure, you said earlier that you want more NATO solidarity in Indo-China. What do you want the U. S. to do there?

A I think there must be an agreement between France and the U. S. to carry out a common and effective policy in South Vietnam. That has not been always the case so far.

Q What has been the trouble heretofore?

A Current events confirm the validity of the warnings the French authorities have been giving the U. S. about South Vietnam. We have felt all along that Premier Ngo Dinh Diem was in difficulty and was less absolute master of the situation than was believed by American officials. Your authorities were persuaded that Diem had the whole country behind him and that everything would be easy. We warned your authorities, saying: "Watch out for the sects and certain political leaders who are opposed to Diem's authority, which is much weaker than you imagine."

Q Is it true, as press reports from Saigon have stated, that some French officers have been supplying arms to the private armies of the sects?

A That is an abominable lie. The French civil authorities and General Ely [French Commissioner-General], on the contrary, have sought to re-establish calm between the sects and Diem. It is obvious that if an atmosphere of tension continues in South Vietnam, chances would be considerably reduced for resistance to infiltration and pressure from the Communist Viet Minh. But we have always thought that the Diem Government must take account of the entire situation to strengthen its own authority.

(Continued on next page)

. . . On Chinese islands: "It is a question of prestige"

Q Do you feel that French businessmen should continue to do business in the Communist North of Indo-China?

A If you are talking about new investments, one need have few illusions. It is not a question of governmental policy, because what is involved are private investments and it doesn't seem that much capital will be risked in that way. If by "business" you mean commercial operations and trade, then I believe that this "business" should continue, subject to the restrictions resulting from international agreement.

ASIAN PROBLEM: "POLITICAL"—

Q Are you concerned at all about the danger of renewed Chinese Communist aggression in the Far East?

A We see no threat at the moment directed at Indo-China. The problem in Southeast Asia, for the moment, is a political rather than a military problem. The military danger, at present, seems to be concentrated on the offshore islands in the Formosa Strait. We are very much concerned about this problem, not only because of French interests in the Orient, but because France, as a world power, cannot ignore any situation that threatens peace.

However, we must be careful not to talk too much about the perils of immediate aggression if there is not real evidence of danger. In dealing with the problem of Quemoy and Matsu, it is essential above all to avoid adding to the tension. We must seek an atmosphere of *détente*. That is why I have been extremely pleased with the recent statement of President Eisenhower on this subject.

Q Sir Anthony Eden has been urging the U. S. to evacuate Chinese Nationalist forces from Quemoy and Matsu and hand those islands over to the Communists. What is your view on that?

A I don't think the offshore islands, in themselves, are very important. Communist China cannot feel menaced by the presence of the Nationalists on those islands. Nor would the occupation of those islands by the Chinese Communists constitute a danger for the Government of Formosa. On both sides, it is a question of prestige. The Formosa Government does not want to renounce all influence on the Chinese mainland. The Communist Chinese, on the contrary, want the Formosa Government to be a government-in-exile on its island.

In these conditions, there are questions of prestige, of "face," which have great importance in the Far East, and which are difficult to resolve. That is why they must be treated with infinite dexterity and caution.

Q Do you think this question could be settled at a Big Four conference, or a "Big Five" conference, including the Chinese?

A When there is a four-power conference with Russia at the highest level, it is likely that Far Eastern problems will be tackled, either officially or informally. The four great powers would be in position to realize some progress in these matters.

In any event, I believe that the question of the offshore islands one day must be resolved by negotiations. But that will be possible only when the problem is not as acute as it is today. It is a question that can be settled only by negotiation after it has cooled off.

Q Premier Faure, some of your statements indicate that you favor French recognition of Communist China. Is that your plan?

A I think we have to be realistic about this matter. It is not realistic that China should be represented in the United Nations by the Formosa Government while the Peking Government, whose domination extends over the entire Chinese mainland, is left outside.

But a separate move by France in this field would not be realistic either. At present, Britain recognizes Peking, but the U. S. and France do not. What is necessary now is to re-establish Western solidarity on this question. This solidarity would not be better assured if two of the three great Western powers have recognized the Peking Government while the third, the U. S., has not.

France, however, must take account of the fact that, since the Korean armistice and the Geneva Conference, the international position of Communist China has been strengthened considerably. The coming Afro-Asian conference at Bandung will give Peking another occasion to demonstrate its pre-eminence in the affairs of that part of the world.

Q How are you going to take account of that?

A We are taking some measures now in the cultural and economic fields to improve relations with Communist China. We have given permission to Peking to erect a Chinese pavilion at the Lyons Fair this month. We have permitted eight Chinese personalities to come to France to study French industry and industrial techniques. We are opening our doors to a Chinese ballet troupe.

Q But you do not intend to go so far as to recognize Communist China?

A We intend to work for the recognition of Communist China by all the Western powers together, rather than repeat the British "one-way street" experience. It would be best if the recognition of China resulted from a concerted decision of the Western powers as part of the general *détente* between East and West which France and its allies hope to promote in the world.

Our success depends equally, however, on the attitude which the Peking Government adopts in the Formosa issue. Premier Chou En-lai declared in October, 1953, that "the settlement of all international differences can be obtained by the route of peaceful negotiations." If he consents to make an analogous declaration in regard to Formosa, the international climate will be profoundly modified.

PLAN TO STRENGTHEN FRANCE—

Q Premier Faure, now that we've solved all the problems of the world, let me ask you a question nearer home, about France. Do you think France can be made strong again?

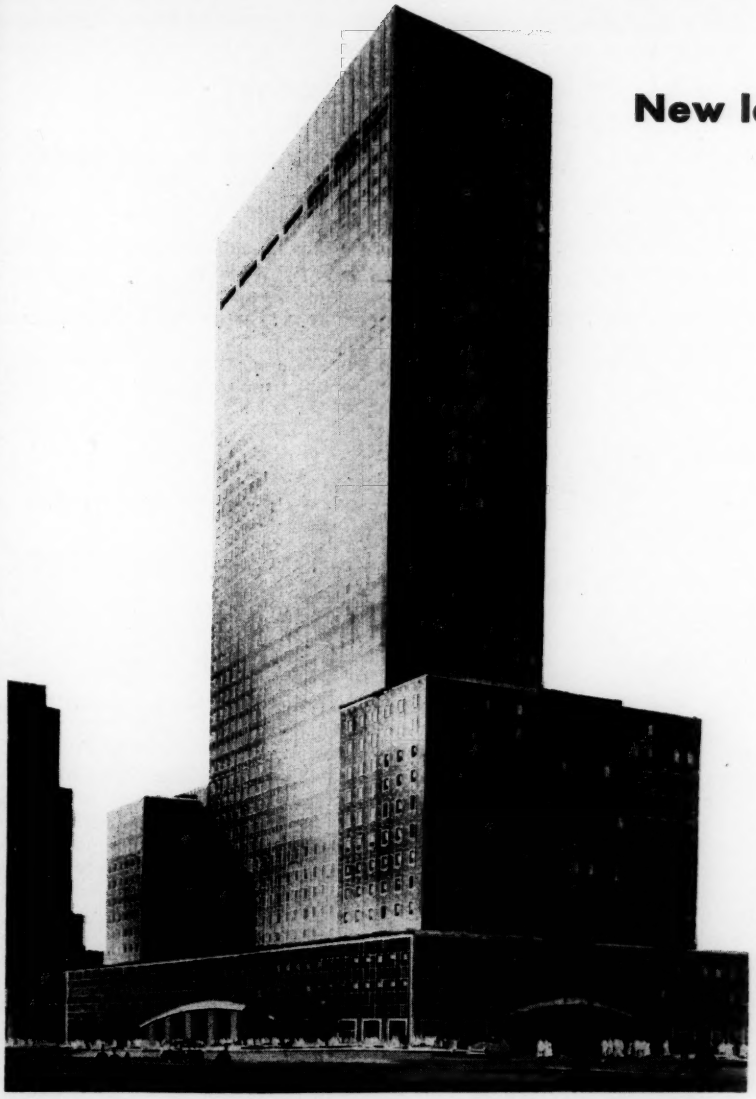
A Yes, and more rapidly than you might believe.

Q How?

A Three conditions are necessary. The first is an administration that lasts sufficiently long and follows constant principles. The second is to maintain the sound financial principles that avoid inflation. The third condition is to adapt the policies which we follow to a perfect understanding of the French situation, not only in regard to material factors, but in regard to spiritual and psychological factors as well.

Q Mr. Faure, you are now the twentieth Premier of France since the war. You also were the fifteenth, and that time your Government lasted only 40 days. Can anything be done to eliminate this kind of weakness in France?

(Continued on page 104)



New look for famous profile

The Manhattan skyline will soon have a new look. The striking Socony-Vacuum Building, brightly clad in stainless steel, is rising over a two-acre site at the hub of New York, in the busy Grand Central area. Soaring 45 stories above the street, it will be the largest fully air-conditioned commercial office building ever constructed.

Although the building will not be completed until spring 1956, the 1,300,000 square feet of office space has been fully rented, a feat never before accomplished in so large a structure. This outstanding project is one more example of the superior skill and know-how that characterize Galbreath buildings.

If you have property that might be profitably improved by a multiple tenant office building—or if your company needs a new commercial building – investigate the flexible Galbreath packaged building services.

You can have the building that suits your needs as landowner or business executive – without investing capital. We handle all details from the retention of architects and engineers to the management of the finished building. Write us today.

We are proud to list the prominent companies that will occupy this building in its entirety:

Socony-Vacuum Oil Company, Inc.
The National City Bank of New York
The American Tobacco Company
International General Electric Company
F. W. Woolworth Company
Air Reduction Company, Inc.
St. Regis Paper Company
American Iron and Steel Institute
Turner Construction Company
Hill & Knowlton, Inc.

Architects: Harrison and Abramovitz, John B. Peterkin, Associate
Builders: Turner Construction Company

John W. Galbreath & Co.

Realtors and Builders

42 E. Gay Street, Columbus, Ohio

New York office:
Peter B. Ruffin, 150 East 43rd Street, New York City

Offices:
Columbus • New York • Pittsburgh

. . . "The Communists have been losing many votes"

A Well, having been Premier twice and now the twentieth, I feel as if I am only the tenth. But you are right. The major problem is to reform our institutions. Not just the Constitution, but all our institutions. I have been occupied for several weeks by urgent and grave business, such as the Paris Accords and the budget. But now I have a little time before me and I am going to take the initiative in this field.

Q What do you think of former Premier Paul Reynaud's proposal to assure governments two years of power by permitting the Assembly to be dissolved for new elections if a government is voted down?

A I think it is a good proposal.

Q Will you support it?

A Yes, but it must be placed in an ensemble of reforms and not be considered by itself.

HARDSHIPS OF PREMIER'S JOB—

Q Didn't you lose 40 pounds in the 40 days you were Premier in 1952?

A That was not related to the exercise of my governmental duties. I found myself ill—that perhaps was related—and was put on a diet to lose weight. This time I lost only two pounds at the beginning and I have now gained it back.

Q What are the Premier's working conditions that are described as "impossible"?

A Much too much parliamentary work. And above all, parliamentary work requiring the personal presence of the Prime Minister in the Assembly and Senate. Means must be found to eliminate the ability of the Parliament to imperil the life of the Government in a sudden, or unexpected, fashion.

If the Parliament asks the Prime Minister to attend an important session which will affect his action, he cannot protest against being obliged to bear it. But it is illogical that the Government should suddenly be called to the floor to explain itself on an unforeseen subject posed by a certain number of Deputies.

I believe that the rule of Parliament must always be respected. It is guaranteed essentially by the fact that the Parliament can bring down a Government. But as long as it doesn't do that, I think that the Government should have a certain priority in fixing the agenda. I would also like to see curtailed the right of the Parliament to initiate appropriations that have not been requested by the Government.

Q Do you think France can have a strong political system when there are more than a dozen different political parties?

A It is a vicious circle. If France had fewer political parties, she would perhaps have a stronger system. But if France had a stronger system, she would have fewer parties.

I am going to try an experiment while in office and attempt to create a stable majority in Parliament.

Q How do you intend to form this majority?

A This majority will be formed by the groups and the Deputies which vote for the Government. Since its beginning, my Government has been favored by a specific majority which has continued despite a certain number of defections.

Q Will you try to organize your supporters into an actual party?

A Everything will be done in a practical fashion. The majority must form itself around the decisions which will be taken on important matters. At present, there are not only too many parties, but the parties themselves are internally divided and do not correspond to any specific political pattern. It is illogical that so many parties should be divided within themselves on issues so important as the Atlantic policy or the Paris Accords.

Q How will you avoid this?

A If my Government lasts long enough, it will create little by little a constant majority in various votes. The votes will determine the limits of our common policies.

Q Can you have a strong France when you have such a big Communist Party?

A Yes. Because the Communist Party in France comprises in reality a large number of malcontents who are not really Communists.

Q How many of the 5 million Communist voters are real Communists?

A Not more than one fifth.

Q Do you think you can attract the other 4 million away from the Communist leadership?

A This would be a long-term job. However, you may have noticed that the Communists have been losing many votes in recent local and by-elections.

Q Do you think they will lose more ground in the next national elections?

A If we work well in the Government and the Parliament, they will lose more.

Q How much do you think the Communist vote in France can be reduced during the next two years?

A About 15 per cent.

Q Premier Faure, in 1952 the National Assembly brought down your Government because you sought to raise taxes 15 percent. Now you just have had the Parliament eliminate tax-evasion inspections for more than a million shopkeepers. You are reducing taxes. Why have you reversed your position?

A I tried three years ago to reform tax enforcement and increase taxes. The refusal to increase taxes in 1952 had unfortunate consequences. We were obliged to reduce our investments and certain military expenses.

Today, however, we are in a period of moderate economic expansion. Confidence having been re-established, we are able to find a certain amount of funds for investment in the capital market, apart from tax funds. Moreover, I do not expect the simplification of tax enforcement, now beginning, to reduce the total Government revenue.

"CONTRACT" FOR TAXPAYERS—

Q Each shopkeeper, as I understand it, will now sign a two-year contract with the tax authorities promising to pay a certain amount of taxes?

A That is only for the smallest businesses, which have a turnover of about $100 a day and do not have accounting facilities. We will accept their declarations without inspections if they sign a tax contract for two years.

Q Is it true that there have been more than a thousand riots, demonstrations and incidents of violent interference with tax inspectors?

A I think this figure is exaggerated. There have not been so many incidents, and they have not been as violent as all that.

Q Can you have economic progress in France without a thoroughgoing tax reform?

A I don't know of a country in the world where you don't find someone talking of tax reform. The French system is

(Continued on page 106)

Now Puerto Rico Offers 100% Tax Exemption to New Industry

by BEARDSLEY RUML

"We don't want runaway industries" says Governor Muñoz. "But we do seek new and expanding industries." Federal taxes do not apply in Puerto Rico, and the Commonwealth also offers full exemption from local taxes. That is why 300 new plants have been located in Puerto Rico, protected by all the guarantees of the U. S. Constitution.

Beardsley Ruml

IN A dramatic bid to raise the standard of living in Puerto Rico, the Commonwealth Government is now offering U. S. manufacturers such overwhelming incentives that more than three hundred new factories have already been established in this sun-drenched island 961 miles off the Florida coast.

First and most compelling incentive is a completely tax-free period of ten years for most manufacturers who set up new plants in Puerto Rico.

For example, if your company is now making a net profit after taxes of $53,500, your net profit in Puerto Rico would be $100,000—a gain of 87 per cent as a result of non-applicability of U. S. Corporate Income Tax in Puerto Rico.

Your dividends in Puerto Rico from a corporation there could be $50,000 against $25,000 net in the U. S.—owing to the non-applicability of the U. S. Income Tax.

What About Labor?

Puerto Rico's labor reservoir of 650,000 men and women has developed remarkable levels of productivity and efficiency—thanks, in part, to the Commonwealth's vocational training schools. These schools also offer special courses for managers and supervisors.

The progress made in technical skills may be gauged from the fact that there are now twenty-eight factories producing delicate electronic equipment.

Among the U. S. companies that have already set up manufacturing operations in Puerto Rico are Sylvania Electric, Carborundum Company, St. Regis Paper, Remington Rand, Univis Lens, Shoe Corporation of America, and Weston Electric.

CORPORATE TAX EXEMPTION

If your net profit after U. S. Corporate Income Tax is:	Your net profit in Puerto Rico would be:
$ 17,500	$ 25,000
29,500	50,000
53,500	100,000
245,500	500,000
485,500	1,000,000

DIVIDEND TAX EXEMPTION

If your income* after U. S. Individual Income Tax is:	Your net income in Puerto Rico would be:
$ 3,900	$ 5,000
7,360	10,000
10,270	15,000
14,850	25,000
23,180	50,000
32,680	100,000
43,180	200,000
70,180	500,000

*These examples are figured for dividends paid in Puerto Rico to a single resident. Based on Federal rates effective Jan. 1, 1954.

"Close to Paradise"

Listen to what L. H. Christensen, Vice-President of St. Regis Paper, says:

"The climate is probably as close to paradise as man will ever see. I find Puerto Ricans in general extremely friendly, courteous and cooperative.

"This plant in Puerto Rico is one of our most efficient operations, in both quality and output. Our labor has responded well to all situations."

Mr. Christensen might have added that the temperature usually stays in the balmy 70's twelve months a year.

The swimming, sailing and fishing are out of this world. Your wife will rejoice to hear that domestic help is abundant.

The Commonwealth will leave no stone unturned to help you get started. It will build a factory for you. It will help you secure long-term financing. It will even screen job applicants for you—and then train them to operate your machines.

Transportation

Six steamship companies and four airlines operate regular services between Puerto Rico and the mainland. San Juan is just 5½ hours by air from New York.

Light-weight articles such as radar components come off the line in Puerto Rico one day and are delivered by air freight next day in Los Angeles, Chicago and other mainland cities. And, of course, there is no duty of any kind on trade with the mainland.

Are You Eligible?

Says Governor Muñoz: *Our drive is for new capital. Our slogan is not "move something old to Puerto Rico," but "start something new in Puerto Rico" or "expand in Puerto Rico."*

The Commonwealth is interested in attracting all suitable industries, and especially electronics, men's and women's apparel, knitwear, shoes and leather, plastics, optical products, costume jewelry, small electrical appliances, hard candy and pharmaceuticals.

To get all the facts, and to find out whether you and your company would be eligible for complete tax exemption, mail the coupon below.

MAIL THIS COUPON

Economic Development Administration
Commonwealth of Puerto Rico, Dept. U3
579 Fifth Avenue, New York 17, N. Y.

Mail me "Facts for Businessmen," your report of the advantages of Puerto Rico for plant location.

Name_____

Company_____

Product_____

Address_____

. . . "Burden of taxes in France is heavier than in the U. S."

probably too complicated, but it is certainly not, and far from it, the worst in the world. I have already reduced some taxes that were discouraging investment. What we have to do now above all is simplify the French tax system.

Frenchmen complain about paying too much taxes—too many sorts of taxes.

I know that Frenchmen have a reputation for evading taxes. But even countries that have a reputation for tax honesty also face a problem of tax evasion, though perhaps to a lesser degree. It has been verified that the burden of taxes in France is actually much heavier than in the U. S., for example, which explains a greater tendency toward tax evasion. In evaluating tax burdens, it is necessary to take account of per capita national income. It is more difficult for a man with a monthly income of $100 to pay $30 in taxes than it is for someone in the $1,000-a-month bracket to pay $300.

You are right to link the questions of economic recovery and tax reform. It is interesting to note that the map of the areas of strength of this antitax movement coincides almost precisely with the geographic map of backward economic regions in France. There is an economic crisis now in these regions, which have failed to benefit from the economic improvement of the last 18 months in Northern and Eastern France and in the Paris area.

Q What are you planning to do about this?

A The Parliament has just voted me special decree powers for a program of regional economic development. For example, substantial oil reserves recently have been discovered in some of these poor areas. As the oil is exploited, it should be possible to stimulate the growth of industry in this region. We are thinking also of granting tax advantages and preferential electric-power rates to firms that build new plants in the impoverished districts. Government investments in the future will also favor these areas. If the French economy as a whole continues to improve in the next 18 months as it has in the last 18 months, we should be able to accomplish a great deal in these poorer regions.

PRODUCTION, WAGES: UP—

Q What progress has been made in the past 18 months?

A Last year alone, industrial production rose 11 per cent. Wages increased more than 8 per cent and we are now granting a further wage rise of almost 4 per cent. Price stability has been maintained for two years. The franc has hardened. Our exports now pay for 97 per cent of our imports, against less than 80 per cent at the end of 1953. Our gold and dollar reserves have mounted above 1 billion dollars. We have liberalized our trade with our European neighbors up to 75 per cent.

We still have two major problems. A rising budget deficit requires us to keep a close watch on a possible return of inflationary factors. Secondly, there still is a substantial disparity between our prices and those abroad, which hampers the expansion of our exports.

Q Can the French economy now get along without American aid?

A Yes.

Q Immediately?

A Yes.

Q No more aid now is required?

A No.

Q Including aid to Indo-China?

A After this year, including Indo-China.

Q What about military assistance?

A We will not need any more aid after this year, except in the field of "offshore" orders from the U. S. for French arms plants. We still need these offshore orders and, in addition, the dollars France earns from the expenditures of American troops in France.

MORE U. S. ARMS ORDERS?—

Q France received more than a billion dollars' worth of offshore arms orders from the U. S. in 1952 and 1953. But there have been practically no new orders for more than a year. Do you hope to get additional orders now that the Paris Accords have been ratified?

A I have no reason to believe that the orders were held up pending this vote. But we must know soon whether more orders are going to be placed. If the orders are not forthcoming, we will have to reconvert various arms plants to civilian production. That would be a shame, because the expense of equipping these plants for arms output has been high. And, once reconverted to civilian production, it would be difficult to return them to arms production if the danger of aggression increases again.

Q Have you asked the U. S. whether new orders will be forthcoming?

A The question was posed several times, but it has not yet been settled. There were a number of technical problems. But I think that solution now is near.

Q Is it true that French workers will soon have to be laid off in some arms plants if there are no new orders?

A That is possible, and we will have to find other jobs for them if we do not receive new orders. It will be a long and onerous task. The main problem now is to find out whether or not there will be additional orders. Until we know that, we cannot make effective plans for the future, but I think we will know the answer very soon.

Q Are you going to adapt the French armed forces for the atomic warfare of the future?

A That question has not yet been settled.

Q Will there be a smaller Army and larger Air Force, as in the U. S.? Do you expect a change in the balance of forces?

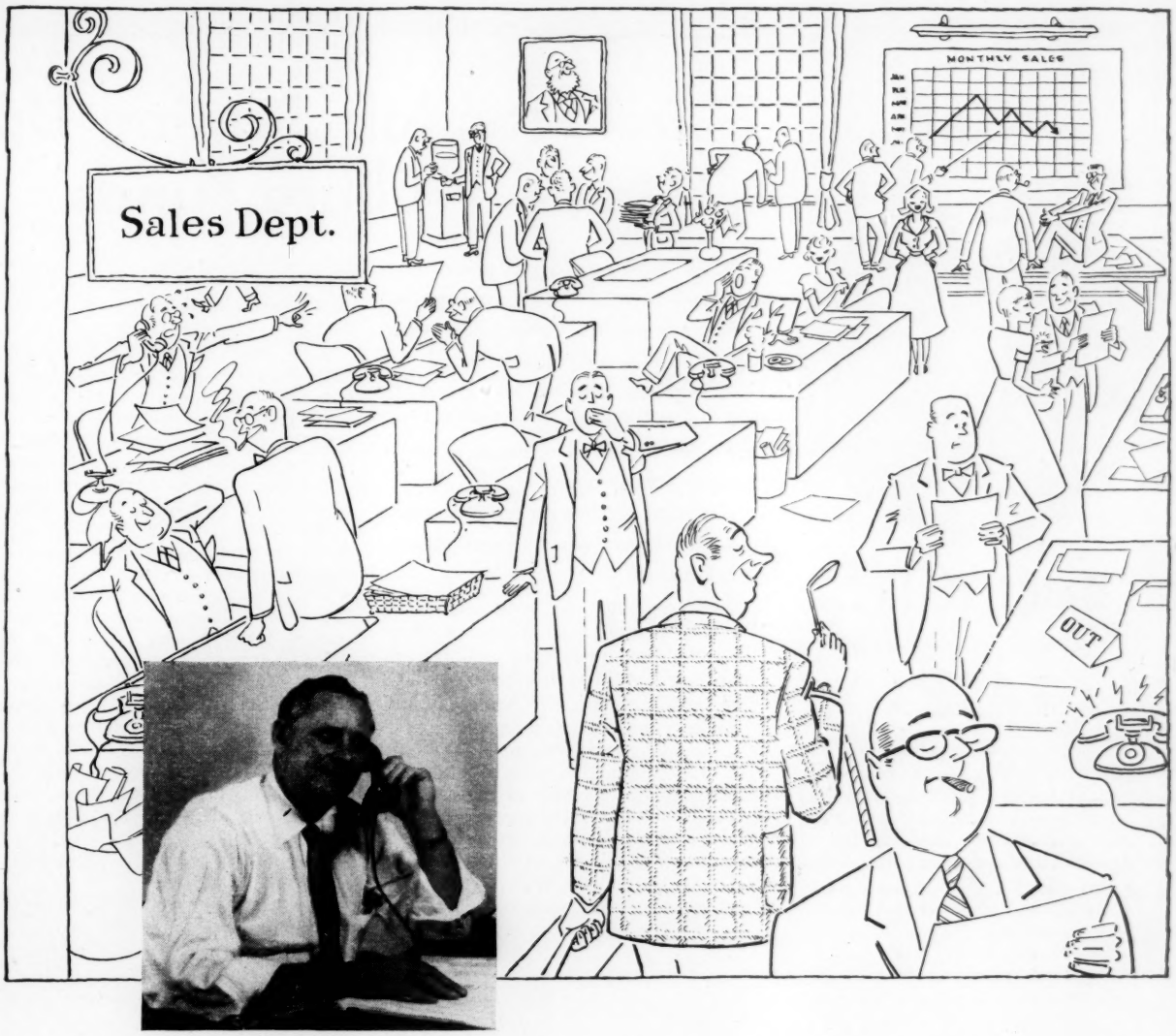
A I do not foresee a great change in the balance of forces. I see simply the necessity of devoting a larger part of our forces to Africa and our overseas territories and a smaller proportion to NATO missions in Europe.

Q Do you feel that the defense of Europe is secure enough now to permit a reduction of the French forces in Europe?

A I think that the general dispositions already taken, notably the constitution of a German army, should permit France to limit its contribution in Europe and enable France to assure the security of its overseas territories without compromising our economic stability.

Q Mr. Faure, you have been Minister of Finance or Premier now continually for almost two years. During this time, you have reduced the French military budget by about 20 per cent. Do you see further reductions now coming?

A No. I do not see any possibility of further reductions at the moment, and I believe that the present Minister of Finance will be very happy if there is no need for an increase.



You call ONE MAN . . . not a "bored meeting" when you order Bristol Brass

YOU don't have to "go down the line" . . . and back over it again and again . . . when you do business with Bristol. You deal with one man all the way . . . one man who has both the mill experience and sales know-how to speed your order straight through. You won't get the "I don't know but I'll ask someone who does and have him call you back" treatment. Whoever talks to you at Bristol has the full authority and responsibility to get your Brass to you quickest way. Nor does he have to be a vice president!

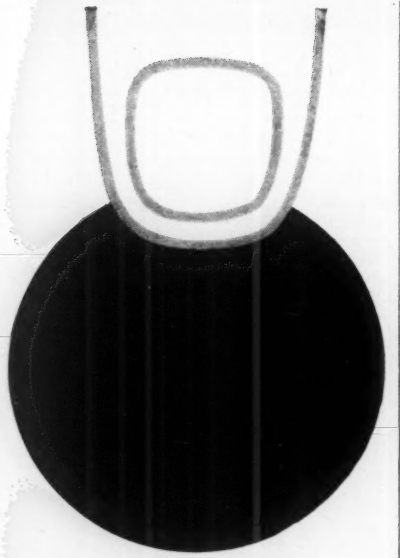
And once your specifications are set in the mill, your interests are protected by the personal interest which Bristol mill men will take in your orders. You're not an order number . . . you're a recognized individual . . . and we're not too big to forget it.

So all you have to do when you call Bristol (Connecticut) Ludlow 3-9246 is simply to say: "I want to place an order". And the next voice you hear will be that of the man who'll take it from there to your receiving department.

The BRISTOL BRASS CORPORATION has been making Brass strip, rod and wire here in Bristol, Connecticut since 1850, and has offices and warehouses in Albany, Boston, Buffalo, Chicago, Cleveland, Detroit, Milwaukee, New York, Philadelphia, Providence, Rochester, Syracuse. The Bristol Brass Corporation of California, 1217 East 6th St., Los Angeles 21. The Bristol Brass Corporation of Ohio, 1607 Broadway, Dayton.

And now . . . BRASS FORGINGS, too . . .
The Bristol Brass Corporation announces the acquisition of Accurate Brass Company, 73rd Ave. & 88th St., Brooklyn 27, N.Y.
"How do you know it can't be forged?"

"Bristol-Fashion" means **Brass at its Best**



Don't Walk...
push a button and
TALK!

• Are your executives and employees constantly running back and forth? Is your switchboard snarled? Can you reach hard-to-locate employees? Is production lagging? Executone intercom puts an end to this time-and-money waste!

Instant and crystal-clear voice-to-voice contact speeds output, increases office and plant efficiency, cuts costs!

No matter what your business, or size, let us prove that Executone pays for itself quickly—*many times over.* Mail coupon now—no obligation!

Executone
INTERCOM SYSTEMS

EXECUTONE, INC., Dept. R-4
415 Lexington Ave., New York 17, N. Y.
Without obligation, please let me have:
☐ The name of your local Distributor
☐ Complete descriptive literature
NAME.....
FIRM.....
ADDRESS.....*CITY*.....

In Canada—331 Bartlett Ave., Toronto

More Scandals Turning Up In Union Welfare Funds

How well managed are union welfare funds? Does money for worker benefits sometimes end up in the wrong pockets?

Congress, looking for answers, has found evidence of abuses in the past. Now a new investigation is under way.

Official testimony from Senate records shows what investigators are finding.

New evidence of irregularities in the management of union welfare funds is being turned up in Congress. Investigations that in the past have produced charges of "scandal" and "abuses" are again under way.

This time, with a Senate inquiry only partly completed, investigators already are describing one fund as "grossly mismanaged." Witnesses connected with another welfare operation are refusing to answer questions and invoking the Fifth Amendment. Questions are being raised as to what became of thousands of dollars for which the investigators are unable to find any accounting.

Here, from the official transcript of hearings, are some of the latest findings:

• A Chicago union was unable to produce any receipts or records to show what happened to about $245,000 that had been withdrawn from two funds to which employers and workers contributed. The union had no formal rules for distributing benefits to workers; it was up to the president of the union to decide who should receive what.

• In another case, involving a second union, the committee sought unsuccessfully to find out what became of more than $900,000 of welfare-fund money that was supposed to be paid to an insurance company. Testimony showed that this sum was withheld by a broker and turned over to the union. But an officer of the union, invoking the Fifth Amendment protection against self-incrimination, declined to answer any questions.

(Continued on page 110)

–USN&WR Photo

SENATOR PAUL H. DOUGLAS
Was a football game a "welfare" expense?

A New England Mutual Agent answers some questions about

protecting partnership interests through life insurance

WHEN YOU CONSULT with your attorney — your tax advisor — your trust officer, call in a New England Mutual specialist in business life insurance, like Millard Samuel, CLU, of Portland, Oregon. Hundreds of our agents specialize in this field. While they may not be authors of books on the subject, as Mr. Samuel is, they are equally competent in solving business problems through life insurance. Let one of our specialists join your staff of trusted business advisors.

Is there any way we can make sure of a fair estate tax valuation on our business?

"Yes, a carefully designed buy-and-sell agreement drawn by your attorney and funded with a New England Mutual business security plan is a tested means of establishing the estate-tax value of a business. As the value of each partner's share is fixed ahead of time, it assures a fair price to the estate of the deceased partner, and provides the surviving partners with the cash to pay it."

What happens if the partnership is dissolved?

"The plan protects against forced liquidation or outside interference when a partner dies, and the liberal cash values of New England Mutual policies are a constantly augmented source of emergency funds. If the partnership is voluntarily dissolved these values are like money in the bank. Also, options in the policies can be used to provide retirement income."

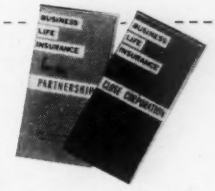
Is the plan feasible where one partner is considerably younger?

"Yes, although a young partner may have to buy larger amounts at higher ages, New England Mutual's flexible contracts can frequently be used to make his premium commitment *less than half* what would ordinarily be expected.

"Any one of our specialists in business life insurance will be glad to consult with you and your attorney about adaption of our plan to your special situation."

2 FREE BOOKLETS ON BUSINESS LIFE INSURANCE

☐ For the Partnership
☐ For the Close Corporation



Please send me, by mail and without obligation, the booklet checked above.

NEW ENGLAND MUTUAL, P. O. BOX 333-4U, Boston 17, Mass.

Name .....

Street .....

City and State .....

The **NEW ENGLAND MUTUAL** *Life Insurance Company of Boston*

THE COMPANY THAT *FOUNDED* MUTUAL LIFE INSURANCE IN AMERICA – 1835

INDIVIDUAL AND GROUP LIFE INSURANCE AND ANNUITIES
FOR PERSONAL AND BUSINESS PROTECTION, AND RETIREMENT

SAN ANTONIO'S SUN will make ANY PLANT GROW

WITH 266 DAYS OF SUNSHINE a year in San Antonio the cost of locating and operating your industry in this fast growing Texas metropolis is much lower than most other parts of the nation. Long known for its wonderful climate more industries are choosing San Antonio today, because maintenance costs are lower, plus the advantage of more daylight hours and more sunny months . . . and workers like it, too. Morale is high and absenteeism is cut to a minimum. Besides the climatic advantages, however, look at these other benefits —

- ▶ **Plentiful natural gas and adequate electric power abound at reasonable rates.**
- ▶ **Co-operative labor, both skilled and unskilled, that is completely American in viewpoint.**
- ▶ **Favorable tax structure, both local and state, with no income or sales levies.**
- ▶ **An advantageous location for serving Texas' rapidly expanding market, as well as the Midwest, Mexico and Latin America.**
- ▶ **San Antonio is a city of homes . . . offering ideal living conditions to develop happy workers. Outstanding cultural advantages with fine schools, colleges and universities. Over 2000 acres of parks for sports and play. Nearby are dude ranches, game, duck and field hunting as well as deep-sea and fresh water fishing.**

These are but a few of San Antonio's many advantages. San Antonio has the welcome mat out for you. Write today about your profit and living opportunities here. Your inquiry will be held in strict confidence. Special surveys will be made to give you the facts you need.

San Antonio

MUNICIPAL INDUSTRIAL & DEVELOPMENT BUREAU

7002 Insurance Building
San Antonio 5, Texas

For selling policies to unions: 1 million . . .

• The same insurance broker was shown to have collected more than a million dollars from an insurance company in connection with two welfare-fund policies he obtained for the company.

• Testimony involving four other welfare funds, operated jointly by employers and unions, brought no complaints of mismanagement.

A union with three funds. The investigation now going on is by a subcommittee of the Senate Labor Committee, headed by Paul H. Douglas (Dem.), of Illinois. Turning attention to the Chicago union, the subcommittee heard the following testimony:

The Pointers, Cleaners and Caulkers Local No. 52, an affiliate of the AFL Bricklayers, has two special "funds" in addition to its regular union treasury. This is a small local of 911 members.

One fund, started in 1950, is made up of money paid in by employers on the basis of 7.5 cents an hour for each union member employed by the firm. This is called the "welfare fund," although no agreement ever was put in writing as to purposes of the fund or how it was to be handled.

The other fund, created in 1949, is called a "defense fund." It is made up of money deducted from employes' pay, at the rate of 5 cents an hour, and sent to the union by employers. Exact purpose of this fund was not explained by union officials, but numerous expenses were listed as paid from it.

The two "funds" up to last November had taken in a total of $346,063, the committee was told. But, when investigators looked at the books at that time, the funds together had only $12,849 left in them, it was testified. Employers stated that they have stopped making payments to the welfare fund.

Committee investigators testified that they had traced transfers of $120,000 from the "welfare fund" to the union's own account and $85,000 from the "welfare fund" to the "defense fund." Some of this money then was paid out in checks for $50, it was testified, as sick benefits for members.

But investigators wanted to know why so much money was switched from the welfare fund to the other funds and then why checks were drawn to "cash" for amounts ranging from $2,000 to $10,000.

Edward J. Gallagher, president of Local 52, testified that all of the money was spent "for the members of our organization." Some went, he testified, in cash benefits to members; some for of-

. . . Official doesn't recall $500 to fur store

fice expenses, for purchase and upkeep of automobiles for himself and organizers; some for doctor bills, other expenses.

Mr. Gallagher was shown various checks, such as one for $500 made out to a tailoring and fur store. Mr. Gallagher couldn't recall what that check was for, adding, "I haven't anybody I would buy a fur for right now."

Dinner-table bargaining. When the union president was shown checks for about $400, made out to an athletic club, he recalled that this was for meals for employers and union officials during bargaining talks.

Another check—for $347—paid for airline tickets to Miami for a Chicago city employe and himself, Mr. Gallagher testified. The city employe was in a position to help union members get jobs on city building projects, he said.

A $50 check cashed by a Chicago Democratic Party ward group, according to the union official, was to help pay expenses of a football game, not for political purposes. Senator Douglas said he did not approve of this check's being given because it may have been financed from the welfare money.

The subcommittee chairman asked Mr. Gallagher: "Is it your position that you did not keep any of this money for your personal use?"

Mr. Gallagher said it was spent "for the betterment of the organization." When the chairman asked if "it was all distributed either to members, to institutions or to others who helped members," the union president answered: "That is right."

No rules on benefits. Mr. Gallagher admitted that the union had no written rules telling its members how much they were entitled to in welfare benefits.

"In other words," Senator Gordon Allott (Rep.), of Colorado, asked, "if a member gets funds or not is dependent completely upon the decision of Edward J. Gallagher, is that right?"

"Well," the reply came, "if you put it that way, yes, but it isn't hard to decide when a man is sick."

Senator Allott also got an admission from the union president that checks amounting to about $245,000 were dispensed by him without control by others, or rules or regulations. Mr. Gallagher admitted that he had no receipts to show.

Committee members indicated that a violation of Taft-Hartley Act provisions might be involved, after testimony that employers were given no voice in ad-

(Continued on page 112)

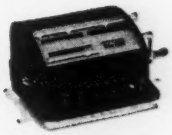
Your 10-key calculator
—portable as a briefcase!

Only $199.50

the compact **FACIT...NTK**

100% PORTABLE

100% FUNCTIONAL



100% VISIBLE

FACIT NTK is a simple, hand-operated calculator you can carry from job to job with the greatest of ease. 12 pounds of finest Swedish steel and precision workmanship in a flexible plastic travel case!

Auditors, researchers, engineers... small chains, big businesses doing field work really go for FACIT NTK. Sales prove it! Ideal for use on train or plane, and for homework.

100% visible setting, tabulating and operating control. 10 easy-working keys—all in the span of one hand. Cushioned to hush noise. Rapid, reliable, for multiplication, division, addition, subtraction. Sold and serviced in 104 countries . . . proven unsurpassed for service-free sturdiness. "On the facts, it's FACIT NTK . . ."

Find your dealer in the Classified Phone Book or mail coupon.

FACIT, INC.
500 Fifth Ave.
New York 36, N. Y. or
114 Sansome St.
San Francisco 4, Calif.
Pioneers in calculators since 1884

Gentlemen: Have your representative arrange a demonstration of FACIT NTK in our office. No obligation, of course.

NAME_____ TITLE_____

COMPANY_____ ADDRESS_____

CITY_____ ZONE____ STATE_____

Steel Office Furniture

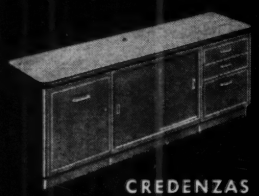
BETTER BUILT FOR BETTER BUSINESS

DESKS

Smartly styled...quality built. Easily converted to suit the work needs.

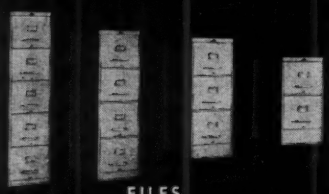
CHAIRS

Quality office chairs styled and built for comfort. Swivel, Side, Arm and Posture types for every office need.



CREDENZAS

Solve your executive office storage problems with these dignified, attractive units. Custom-built for you.



FILES

Step up office efficiency. Drawers open and close easily and quietly. Sizes and types for every filing need.

•

Write for complete information and name of nearest dealer. Simply write your name and address in margin below and attach to your letterhead.

ALL-STEEL EQUIPMENT INC.
Aurora, Illinois

. . . Mystery of Laundry Workers' $900,000

ministration of the welfare fund, as required by the Act.

What happened to $900,000? The subcommittee also looked into operations of a welfare fund of the AFL Laundry Workers Union, with headquarters in Chicago. This fund, administered jointly by union and employer trustees, covers about 60,000 workers in about 40 locals throughout the country, the committee was told.

One question raised by the investigators was the ultimate disposition of more than $900,000 in premiums turned over to an insurance broker by the union's welfare department. There was testimony that this money never reached the insurance company that issued policies for the welfare program.

The subcommittee was told by an investigator that union records showed premiums totaling more than 3.2 million dollars had gone to Louis B. Saperstein, the broker, for forwarding to the insurance company, but that the company's records showed some $900,000 of this money failed to get to the company.

It was testified that Mr. Saperstein's office in Newark, N. J., held back some of this money by delaying reports on new insurance. Thus, a policy for a Philadelphia local was supposed to take effect on Nov. 10, 1952, the committee was told, but the insurance firm's records listed the effective date as April 1, 1953.

The broker, taking protection of the Fifth Amendment, declined to answer several questions about the $900,000, on the ground that it might incriminate him. Senator Douglas, however, told him that other witnesses had stated that the money was paid to Eugene C. James, secretary-treasurer of the union.

Mr. James, testifying later, declined to answer any questions and also invoked the Fifth Amendment. The subcommittee unanimously voted to recommend to the full Labor Committee that Mr. James be held in contempt of the Senate, on the ground that he abused the privilege given him by the Amendment.

The subcommittee also heard testimony that Mr. Saperstein received $262,507.59 in commissions from the Security Mutual Life Insurance Company for landing the union's insurance policy for the company. The commissions, over a period of three and a half years, amounted to 10 per cent of the premiums of about 2.5 million dollars, the committee was told.

In 1953, it was testified, the policy was switched to the California Life Insurance Company after Security Mutual

(Continued on page 113)

ARE YOU Penny-Wise AND Repair-Foolish?

You'll find the answer to this one in your piping maintenance cost sheets. If pipe repair and replacement are recurring expenses, chances are the cause can be traced to the use of low-first-cost piping in an effort to "save" initially. When this low-first-cost material starts to fail prematurely, labor costs for repairs can turn the so-called "savings" into real *spendings*.

Pipe service life, not initial cost, is the only true way to compare pipe. Byers Wrought Iron pipe answers this requirement with long, trouble-free service. Write Dept. Z for our booklet, *Proof by Performance*.

A. M. BYERS CO.
Clark Building, Pittsburgh, Pa.

BYERS PIPE

LETTERS
REPORTS
SURVEYS
INTERVIEWS
RECORDS
INSTRUCTIONS

WHEN YOU'RE "On-the-Road"

TAKE A "RECORDER" and a Carter CONVERTER in your CAR

Don't leave your recorder idle when you're "on the road." Thousands of progressive salesmen, executives, adjusters, lecturers, newscasters and others working "in the field" find they can make more calls, cover more ground, work more efficiently with a RECORDER or DICTATING MACHINE *in the car.*

Operated by a CARTER ROTARY CONVERTER from your car battery, you can easily DOUBLE the usefulness of your recorder if you *take it along.*

Carter Converters are used in cars, boats, planes, supplying 110 v. AC from storage battery power. Sold by radio parts distributors everywhere. Mail Coupon for full details and nearest distributor. Carter Motor Co., Chicago 47.

Carter Motor Co.
2667 N. Maplewood Ave.
Chicago 47, Illinois

Carter

Please send illustrated circular and full information on Carter Converters.

Name_____

Address_____

City_____ State_____

. . . Union-insurance shift nets thousands

told Mr. Saperstein that it was reducing his commission and eliminating a fee paid to the union. Mr. Saperstein then collected $91,000 in commissions from the new company.

Commissions: $1,000,000. Mr. Saperstein, the investigators learned, received more than a million dollars in commissions from Security Mutual on insurance policies for the Laundry Workers and the AFL Distillery Workers.

Mr. Saperstein stated that "many" companies paid commissions at that rate for group policies. He admitted that he had served as an insurance "consultant" for the Laundry Workers at the same time he was handling their insurance business, but he testified that he did not cash the check received for his year's service as consultant. The check was for one dollar.

Wages at Peak And Jobs Up

The average American factory worker is earning more for a week's work than he ever earned before. At the same time, the number of people holding jobs is on the increase.

This is what the latest official statistics show:

Factory wages are at an all-time high. Average earnings of production workers in manufacturing industries stood at $75.30 a week in mid-March. This is 96 cents more than the average for same period of 1954.

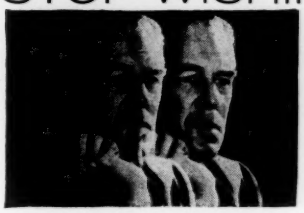
Job opportunities in March were better than they had been a month before. Civilian employment was half a million above February. The latest count shows 60.5 million persons at work. March also brought a drop of 200,000 in the number of unemployed, down to a total of 3.2 million.

A longer work week was the chief reason for workers' higher earnings. The work week averaged 40.7 hours for factory employes, against 40.4 in February. A year ago in March, factory workers were averaging 1.2 hours less work in a week.

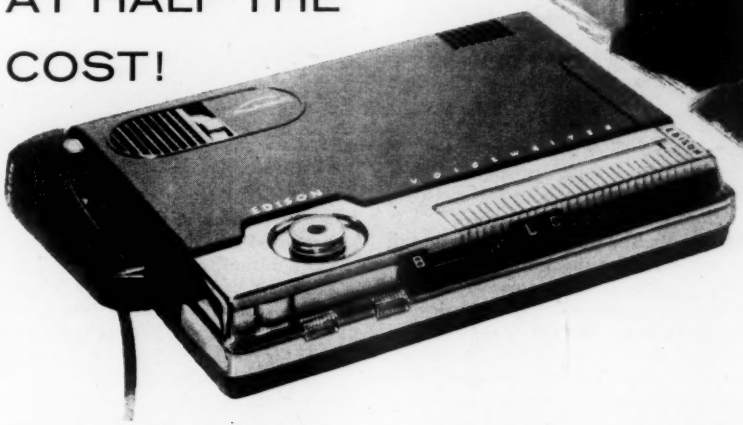
The average pay check went up more than a dollar a week in the last month in six industries: transportation equipment, machinery, lumber, primary metals, ordnance and printing-publishing.

Hourly pay of factory workers also is up a bit. Production workers averaged $1.85 an hour in mid-March, an increase of 1 cent from the month before. This brought the hourly rate to a new high point.

STOP WISHING YOU WERE TWINS



THE **V.P.**
EDISON VOICEWRITER
DOUBLES
YOUR OUTPUT
AT HALF THE
COST!



You've never seen anything like the EDISON VP for saving time and devouring your daily desk load. It's always on your desk getting action on your thoughts—or along wherever you go, cross town or cross country. It's the slim, trim, years-ahead dictating instrument that can be converted in seconds for secretarial use. And it's the instrument that won the *Audio Engineering* Award. Put the VP to work for you—for your entire organization. It repays its cost many times over in time savings alone. Lease the EDISON VP—or buy it on easy 3-year terms.

The new VP features Micro-Fidelity! Another EDISON first. Employing newly designed small parts and advanced circuits, the VP achieves unmatched voice clarity. It uses discs, world's first choice for high fidelity recording.

Send for free 12-page booklet that tells how to save time and money with the VP or phone local representative listed under EDISON VOICEWRITER for a no-obligation, 11-minute, desk-side demonstration!

Thomas A Edison
INCORPORATED
ALSO MAKERS OF THE FAMOUS EDISON NICKEL-IRON-ALKALINE STORAGE BATTERY

Thomas A. Edison, Incorporated
10 Lakeside Avenue, West Orange, N.J.
O. K., send me "GET ACTION ON THE GO!"—no obligation.

NAME _____
COMPANY _____
ADDRESS _____
CITY _____ ZONE _____ STATE _____

PLUS & MINUS
Latest Indicators of Business Activity

Prices of farm commodities continue to decline at a time when business activity is expanding strongly.

Grain prices sagged in the week ended April 6. Corn dropped to $1.43 per bushel at Chicago, down 4 cents. The level was the lowest in 17 months and one of the lowest in almost five years. Wheat fell to $2.35 per bushel at Kansas City, down 11 cents to the lowest since November, 1954. Smaller declines took place in oats, rye, barley.

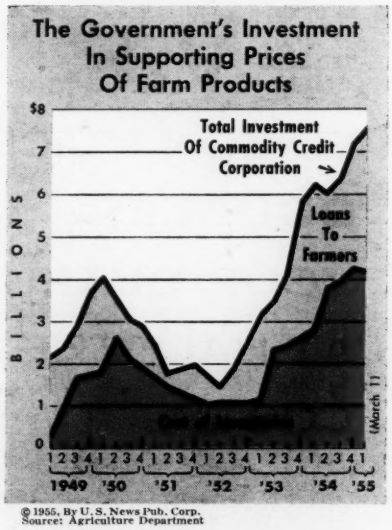
Average prices received by farmers for all commodities declined slightly from February 15 to March 15 and were 5 per cent below a year earlier.

Feed supplies for livestock promise to be more plentiful this year than ever before, both in total quantity and in amount per animal to be fed.

The abundance of farm products is to be as great this year as ever, barring crop failures. Latest indications are that farmers will plant about 353.5 million acres this year, about the same as in 1954. Wheat acreage, it now appears, will be about 4.6 million acres below 1954. Acreage allotted for cotton will be about 3.2 million acres below 1954. To offset a good part of these reductions, farmers plan to shift to barley, oats, soybeans, flaxseed, sorghums, hay and other crops.

Adjustments the farmer is making fail to preserve the income he had before. As he shifts from wheat and cotton, both supported at high levels, he finds the support prices being lowered sharply on barley, sorghums, soybeans, oats, flaxseed. Between 1953 and 1955, acreage planted in barley rose from 9.7 to 15.8 million acres, but support prices were reduced 24 per cent. Farmers will plant 21.3 million acres this year in sorghums, compared with 14.7 million in 1953, but this year's support price is 27 per cent below that of 1953.

Savings, however, will be made from now on in cost of the price-support program to the Government. As the top chart shows, the price-support investment of the Commodity Credit Corporation now stands at 7.5 billions, a record high. A year from now, officials estimate, the investment will be 7.25 billions. There is hope, at last, that the Government's commitment will stop growing.



© 1955, By U. S. News Pub. Corp.
Source: Agriculture Department

The inflow of commodities into CCC is expected to be smaller from now on. The lower average level of support prices makes it more likely that the farmer will sell his output on the market without getting a price-support loan. Now that support levels are lower, the cost per bushel or pound of commodities taken over by CCC will be less than before.

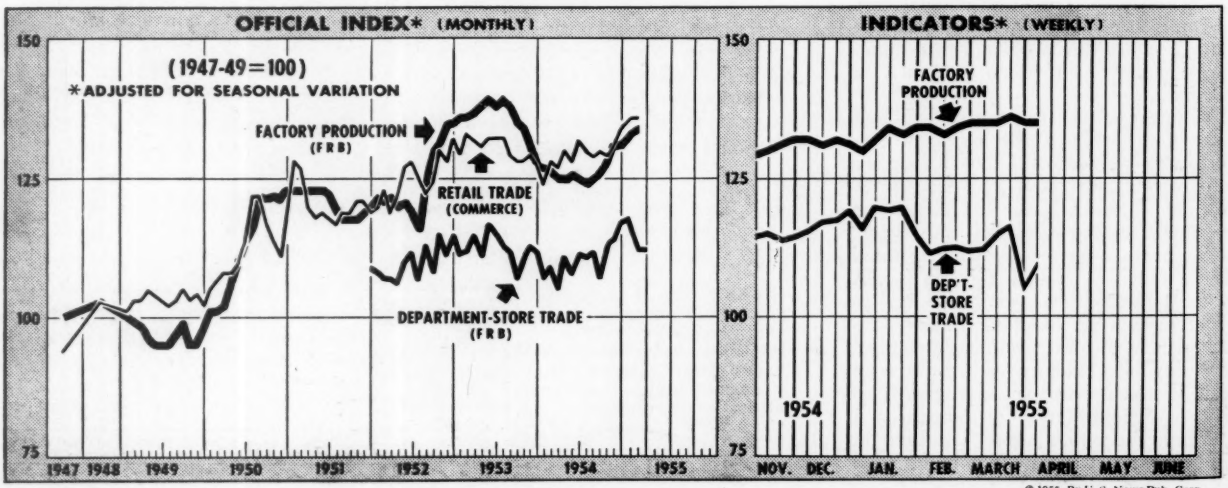
Livestock production, not eligible for price support, may be stimulated this year and next by large supplies of feed. This could divert feed grains away from CCC, sending them to market in the form of meat.

The disposal of farm-commodity surpluses held by CCC is now at a faster rate. Official estimates put CCC sales of farm products at 1.9 billions in the year beginning July 1, 1955, compared with 1.6 billions in the preceding year. Commodities are being exchanged for foreign currencies, bartered for strategic raw materials, donated and sold through normal channels.

Industrial raw materials, in contrast with farm products, have been edging upward and are near their highest in two years. Zinc, copper and hides rose in the week ended April 6.

Production is absorbing raw materials at a fast rate. Auto output has been averaging nearly 50 per cent above a year ago. Steel recently has been 40 per cent above last year.

Rising incomes, growing out of the industrial boom, are cushioning the slow decline in prices the farmer receives for his products. Through the strength of industrial activity, the farmer is gaining the time needed to make adjustments without serious hardship.



© 1955, By U. S. News Pub. Corp.

Thanks to modern science, you can make things

stick together . . . and stay stuck!

PRIMITIVE MAN used pine pitch and mud to stick things together. These were his adhesives.

INCREASING NEEDS caused man to seek stronger, more durable adhesives. He found he could make them from animal, fish, and vegetable products.

In time, scientists began studying how adhesives work. Was it attraction between the molecules? A chemical reaction? Or a simple mechanical tie? *The answer still is not fully known.*

THIS RESEARCH, however, together with the development of new chemicals and plastics, led to whole families of new adhesives that now serve us in a variety of ways.

YOU CAN GET quick-setting household cements that mend almost anything. Your furniture is held together with stronger, more enduring glues. Safety glass windshields, tapes that stick at a touch, and plastic floor coverings are possible because of modern adhesives.

MAKING CHEMICALS AND PLASTICS that are essential to these and other adhesives is but one of the many important jobs of the people of Union Carbide.

FREE: *Learn how* ALLOYS, CARBONS, GASES, CHEMICALS, *and* PLASTICS *improve many things that you use. Ask for the 1955 edition of "Products and Processes" booklet B.*

UNION CARBIDE
AND CARBON CORPORATION
30 EAST 42ND STREET UCC NEW YORK 17, N. Y.
In Canada: UNION CARBIDE CANADA LIMITED

UCC's Trade-marked Products include

BAKELITE, VINYLITE, and KRENE Plastics · PYROFAX Gas · PREST-O-LITE Acetylene · EVEREADY Flashlights and Batteries
SYNTHETIC ORGANIC CHEMICALS · LINDE Silicones · PRESTONE Anti-Freeze · LINDE Oxygen · ACHESON Electrodes
Dynel Textile Fibers · ELECTROMET Alloys and Metals · HAYNES STELLITE Alloys · UNION Carbide · NATIONAL Carbons

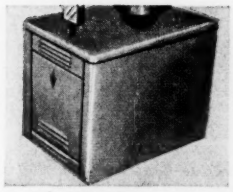
buried a million years
...now serving the nation

A new titan is at your beck and call!

Natural gas, the giant imprisoned in the earth until the pipeline unleashed its mighty power.

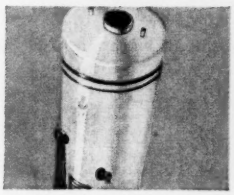
Now a billion and a half cubic feet of the world's finest fuel flow daily through the 2200-mile pipeline of Tennessee Gas. The nation's longest, this great artery brings natural gas from the Southwest where most of it is to the fuel-hungry East where it's needed most.

And does it by the simplest, most direct means of transportation known . . . delivers it dependably, economically to homes and industry round the calendar and clock . . . by pipeline.

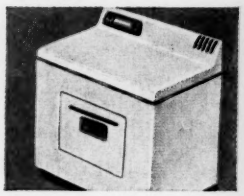


HOME HEATING

COOKING



HEATING WATER

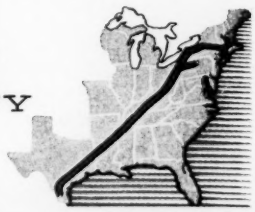


DRYING CLOTHES

TENNESSEE GAS
TRANSMISSION COMPANY

HOUSTON, TEXAS

AMERICA'S LEADING TRANSPORTER OF NATURAL GAS



Trend of American Business®

24th and N Streets, N.W.
Washington, D. C.

The building boom shows surprising strength. Construction is so high at this time that it is beginning to worry some lenders and some analysts.

New contracts awarded in March are reported by F. W. Dodge Corporation to be the highest on record for that month. They are 40 per cent above a year ago.

New construction put in place also was at a record for March, up 14 per cent over 1954. Rise from February, however, was less than usual.

For the first three months of this year, building activity ran at a rate of 41 billion dollars a year. That compares with actual expenditures for 1954--also a record--of 37.2 billion.

Housing boom, moreover, promises to keep on. Look at these estimates from Federal Reserve Banks of Boston, Chicago, Minneapolis:

In New England, new houses are expected to be 10 per cent above 1954.

In the Midwest, housing starts will be 5 to 10 per cent above 1954.

In the Minneapolis area, 1955 will be at least as high as 1954.

In each of these Federal Reserve districts, the general opinion is that there will be an adequate amount of mortgage money available to keep up the boom. That comes from a sampling of mortgage lenders.

Some notes of caution are being sounded. Life Insurance Association of America warns that 30-year Government guarantees, with no down payments, are an invitation to boom and bust. United States Savings and Loan League calls for a re-examination of Government policies to prevent possible overbuilding.

Housing market, however, is still strong, with few signs of overbuilding.

Builders are confident of finding buyers for houses now being planned.

Vacancies for rent are well below 5 per cent in many places in the Chicago area. Rents, furthermore, are just now stabilizing, after a long rise.

Prices for old houses in the Midwest are firm, and sales are active.

The Chicago Bank reports that, as long as rental and used markets hold up, there is unlikely to be any serious drop in demand for new homes.

Conditions reported by the Chicago Bank seem to be rather general. Top Government officials in Washington get few reports that vacancies are rising, that old homes are slow to move, or that new homes are hard to sell.

It's not only in housing that construction is showing strength.

Industrial building rose in March for the fifth consecutive month.

Commercial construction is running 35 per cent above a year ago.

Utility expansion continues to show moderate gains.

Public construction is off slightly, due to smaller federal outlays.

Building industry promises to be quite active for many months to come.

(over)

Public-works backlog of State and local governments also is high.

Census Bureau finds enough projects planned or programmed for four years of work at the rate of outlay made in 1954.

Total value of the works backlog is put at 27.7 billion dollars.

Number of projects is reported at 71,639.

Here's how the public-works programs now on the books break down:

For highways, 10.7 billion dollars, 38 per cent of the total.

For schools, 4 billions, 14 per cent of the total.

For utilities--power, bus lines, airports, water--7.3 billions.

Remaining funds are to go for hospitals, housing, public buildings.

Cities and towns have scheduled projects to cost 12.4 billions, with States down for 10.2 billions. Remainder will come from other Government units.

Some 5,600 projects are ready to start on July 1. The others can begin in from 6 to 18 months after midyear. These are projects actually planned. They promise a substantial backstop to business activity.

Additional evidence of flourishing activity comes from income figures.

Individual incomes in February are estimated by the Commerce Department at around 292.5 billions a year. That's a gain of 1 billion in the rate over January and a jump of 7.5 billions over February, 1954.

Wages and salaries account for most of the rise in people's total income. They are running close to 200 billions a year. The rate a year ago was less than 195 billions. That reflects the general recovery in production. More people are being put to work and the work week is being lengthened.

Real significance of the income gain is that it adds to purchasing power.

A 7.5-billion-dollar jump in personal income promises to bring strong support to retail sales, both now and in the period ahead.

If the income pace keeps on, prospects are that the second half of 1954 also will be a period of very high business activity.

A business slump of any importance this year is becoming less likely because of the trend in individual incomes and in private investment.

Business activity may be adversely affected, however, if an automobile strike develops and continues for any length of time.

Business mergers are due to be watched carefully by the Government.

A special task force has been appointed by the Federal Trade Commission to identify important mergers and speed investigation of them.

Idea is to screen mergers promptly so the Government may act.

Coming up is a report from FTC on the current merger movement. FTC has already noted strong merger activity in baking, food products, textiles, metal industries, machinery and chemicals.

Another antitrust and monopoly probe is scheduled by the Senate Judiciary Committee, under Senator Harley M. Kilgore (Dem.), of West Virginia.

Purpose of this probe is to see whether extensive law revisions are called for. A similar study for the Attorney General brought forth the conclusion that antitrust laws are mainly O.K. as they stand, save for "fair trade" laws.

Assembly-line adhesive speeds bonding of honeycomb panels

To meet today's increasing demand for honeycomb panels, a fast yet positive method of bonding this versatile core material is essential.

A new Armstrong adhesive—D-253N—effectively answers this need for speed. It also makes possible fabrication of honeycomb panels that are stronger and more heat resistant than those made with the best thermoplastic adhesives previously available.

D-253N can hold a dead load twice that of conventional thermoplastic adhesives, and its greater resistance to heat makes it useful for either interior or exterior applications at temperatures up to 180° F.

The superior properties of D-253N make it virtually a new type of adhesive, intermediate between thermoplastic and thermosetting cements. This brings the speed, convenience, and economy of air-drying cements to many who formerly had to rely on thermosetting adhesives.

Honeycomb cores can now be bonded to skins of plywood, stainless steel, aluminum, plastic laminate, and similar materials easily and quickly. Cores and skins are sprayed with the adhesive, dried by infrared heat, and assembled—all within a few minutes. Since D-253N bonds on contact, one pass through a pinch roll completes a panel.

For more information on D-253N and other Armstrong adhesives, write Armstrong Cork Company, Industrial Division, 8004 Dunlap Road, Lancaster, Pennsylvania. In Canada, 6911 Decarie Blvd., Montreal.

Armstrong

ADHESIVES • COATINGS • SEALERS

. . . used wherever performance counts

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

99,914 Shares

Gerber Products Company

Common Stock
(Par Value $10)

Subscription Warrants evidencing rights to subscribe to these shares have been issued by the Company to holders of its outstanding Common Stock. These Warrants expire at 2:30 p.m., Central Daylight Savings Time on April 25, 1955. During and after the subscription period the several Underwriters may offer shares of Common Stock as set forth in the Prospectus.

Subscription Price to Warrant Holders $34 per share

Copies of the Prospectus may be obtained in any state from such of the Underwriters, including the undersigned, as may lawfully offer the securities in such state.

A. G. Becker & Co.
Incorporated

Blyth & Co., Inc. Glore, Forgan & Co. Kidder, Peabody & Co.

Ladenburg, Thalmann & Co. Lehman Brothers Dean Witter & Co.

April 7, 1955

WET

BLAST CLEANING removes grinding lines, deburrs, precision-finishes dies and molds.

HYDRO-FINISH

WET BLAST CLEANING does it better and cheaper. Sizes and types for every laboratory and production need. Write today for free booklet.

Pangborn

Blast Cleaning and Dust Control Equipment
HAGERSTOWN 3, MARYLAND

YOUR DOUBLE-BREASTED SUIT
CONVERTED TO AN UP-TO-DATE
SINGLE-BREASTED MODEL

LIKE GETTING A NEW SUIT FOR

$19.50 Postpaid

Don't throw your old-fashioned double-breasted suit away. Have it converted by mail to a smart new single-breasted model for only $19.50 complete. Our master tailors re-design, re-style, recut even the collar and lapels of your coat to conform perfectly to present day styling. We'll make your coat larger or smaller if you wish. Satisfaction guaranteed. Write for FREE details how we convert your coat by mail or send your coat and check today.

ROGERS TAILORING CO.

Dept. UN-4, 821 Prospect Ave., Cleveland, Ohio

People 60 to 80
CAN APPLY FOR LIFE INSURANCE

If you are under 80, you can still apply for a $1,000 life insurance policy to help take care of final expenses without burdening your family.

You can handle the entire transaction by mail with OLD AMERICAN of KANSAS CITY. No obligation of any kind. No one will call on you!

Write today for free information. Simply mail postcard or letter (giving age) to Old American Ins. Co., 1 W. 9th, Dept. L402P, Kansas City, Mo.

TAKE IT AWAY
TAKE IT AWAY
TAKE IT AWAY

Materials handling equipment too slow? Automatic production machinery too fast? Then materials handling obsolescence is draining your profits.

See hundreds of new developments in equipment, machines, supplies and services exhibited by the industry's pacesetting manufacturers. Write for free tickets:
Clapp & Poliak, Inc.
341 Madison Avenue, N. Y. 17.

6th National Materials Handling Exposition
International Amphitheatre, Chicago
May 16-20, 1955

NEWS-LINES

WHAT YOU AS A BUSINESSMAN ☑ CAN and ☒ CANNOT DO

as a result of recent court and administrative decisions

☑ **YOU CAN** co-operate with an association of your employes without violating the ***Taft-Hartley Act.*** A federal court of appeals finds that such co-operation is proper so long as the employer does not actually dominate the association. In this case, the employer recognized the association without proof of majority status, permitted the organization to use plant facilities and donated money to recreation facilities identified with the association.

* * *

☑ **YOU CAN,** in signing a new ***union contract,*** insist that its effectiveness be dependent on a court's decision as to whether the old contract was renewed automatically. The National Labor Relations Board holds that an employer did not bargain in bad faith by insisting on this.

* * *

☑ **YOU CAN** get a certificate of necessity, permitting a ***rapid tax write-off,*** if you want to expand your facilities for manufacturing tires for planes, buses, trucks and tractors. The Director of Defense Mobilization extends the time to apply for such certificates till next June 30.

* * *

☑ **YOU CAN** probably obtain, more easily than heretofore, confidential information needed to carry on ***nuclear research.*** The Atomic Energy Commission announces an easier policy on "access agreements" that makes such information available. This is to encourage more participation by private industry in the development of atomic energy.

* * *

☑ **YOU CAN** now avoid double taxation, by the U. S. and Japan, of the same income. Two ***tax treaties*** just ratified by the governments of the two countries are aimed at eliminating double taxation on incomes, estates, inheritances and gifts.

* * *

☑ **YOU CAN** probably count on avoiding a double tax on the same income by the U. S. and Italy. ***Tax conventions*** just signed by the two countries will become effective when formally ratified.

☑ **YOU CAN** probably get the courts to prevent a State from taking more of your ***land*** than it needs now for roads. A State supreme court rules that a State cannot condemn for anticipated future needs more land than it needs at present for roads.

* * *

☒ **YOU CANNOT** avoid supervision by the Federal Trade Commission over the interstate advertising of your mail-order ***health and accident insurance company***. An FTC examiner rules that the Commission has authority to police this advertising.

* * *

☒ **YOU CANNOT** safely call in your employes who are members of a ***union's organizing committee*** and tell them that their jobs have been jeopardized by their union activities. This, says NLRB, violates the Taft-Hartley law.

* * *

☒ **YOU CANNOT,** as an American citizen employed as a scientific consultant, get around paying a U. S. ***self-employment tax*** on your income from this foreign source. Internal Revenue Service holds that such income is subject to this tax.

* * *

☒ **YOU CANNOT** avoid paying a ***transportation tax*** on the amount that you pay for hauling export wheat to a seaport elevator where it is sorted, blended and graded. IRS rules that wheat thus interrupted in transit is subject to the transportation tax despite the exemption for export shipments.

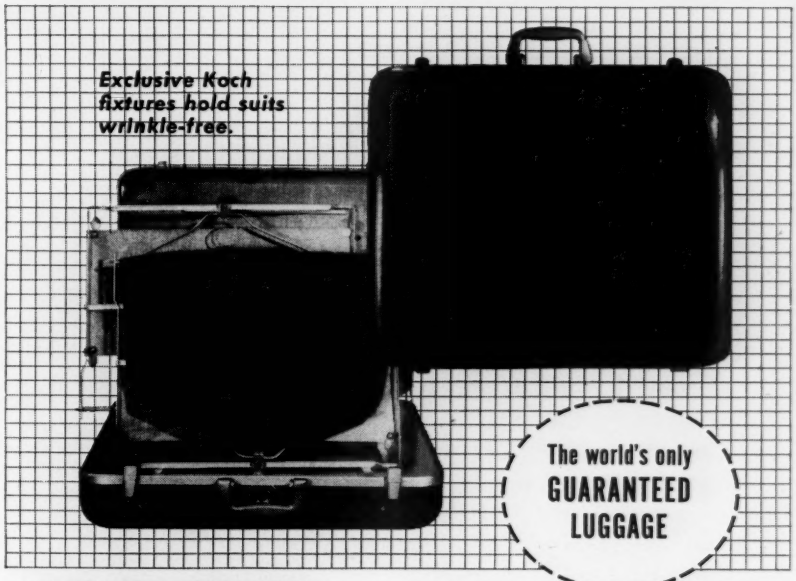
* * *

☒ **YOU CANNOT** look for any immediate easing of the export restrictions on ***iron and steel scrap***. The Bureau of Foreign Commerce announces that present procedures for licensing exports of these scrap metals will remain in effect in the second quarter of this year until further notice.

* * *

☒ **YOU CANNOT** ship abroad unlimited amounts of ***copper-based alloys*** in ingot or other crude forms. In tightening up on these exports, the Commerce Department says that no more than 1,000 tons of this metal will be licensed for foreign sales in the three-month period of April through June.

Conclusions expressed in these paragraphs are based upon decisions and rulings of courts and Government bureaus. In making their decisions, courts and bureaus consider many facts which, for reasons of space, cannot be set forth in detail. U. S. NEWS & WORLD REPORT, *on written request, will refer interested readers to sources of this basic material.*



KOCH FIBERGLAS LUGGAGE

PRONOUNCED "KOKE"

"We will repair or replace, without charge, any piece of Koch Fiberglas Luggage broken on any airline, railroad or steamship, anywhere in the world." That's the Koch guarantee and it means just what it says. Choice of ten styles for men and women. $39.50 to $79.50 plus Fed. tax. For descriptive folder address Dept. UMB.

KOCH OF CALIFORNIA
Corte Madera, California

APPROVED FOR WORLD TRAVEL by TWA

Sport with a view; Jasper National Park

Red coats at Fort Henry—Kingston, Ontario

Enjoy one of
Canadian National's
10 TOP
Maple Leaf
Vacations

Wherever you go in Canada, Canadian National's new passenger cars assure the utmost in gracious travel-living; offer wide choice of accommodation. *Across Canada,* save hours on the new, fastest-ever SUPER CONTINENTAL. Choose a Canadian National Maple Leaf Vacation *—the best way to see the best of Canada.* Canadian National offices in principal U.S. cities, or see your travel agent, Canadian National Railways, 105 West Adams St., Chicago, 3, Ill.

CANADIAN NATIONAL RAILWAYS

anada

THE ONLY RAILWAY SERVING ALL 10 PROVINCES OF CANADA

AMERICANS NEVER HAD IT SO GOOD

High Incomes . . . Rainy-Day Reserves . . . Property

"Prosperity," for the average American family, is beginning to take on some new meanings.

Income is up and still rising. Savings are enormous. Trends in insurance and pensions are giving the average family a new outlook, and new attitudes.

All this is part of a changing picture of family finances.

American families, it becomes more and more clear, are enjoying prosperity on a scale never before seen in this country.

That is the picture drawn by official surveys of family incomes, spending, saving and security conditions. It's not a picture to be found in any one of these recent surveys. It has to be pieced together from many new Government studies and reports. Brought together, these reports are giving officials some new ideas about family finance, and some significant clues to the future.

Increases in income are only a part of what is disclosed. The increases, coming at a time when prices are stable, mean real growth in purchasing power. At the same time, the typical American family is building a sizable savings and investment account, and acquiring a stake in one or more old-age pension funds. Already, the worker who does not have strong prospects for a fairly comfortable old age has become the exception.

These developments, taken together, help to explain the recent sharp rise in family debts, which now stand at an all-time high. Many thousands of families, making more money than ever before and confident that times will stay good in months just ahead, no longer hesitate to take on new obligations to be met out of future income.

What has happened, and is still happening, to a typical family is shown clearly by official data. You get the facts of how Americans are fixed financially in the

Incomes are up. Rise in income, official figures show, is not just something that's happened to a national statistic. It has occurred among families all along the income scale.

More significantly, officials find in these income trends a rise in the number of families enjoying what is called "discretionary spending power." More and more families can pay for the basic necessities and still have income left over to spend as the family likes—on extras—or to save.

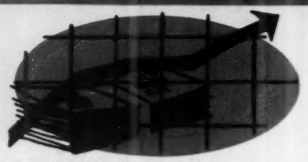
The average family's income today, after taxes, is higher than it ever has been before. The dollar does not go as far now as it did right after the war. However, incomes have risen more than consumer prices.

Today, the average family—farm families excepted—enjoys an income of about $6,400. Even with farm families and "unattached individuals" averaged in, the figure is around $5,350 a year.

Prices and taxes both have risen in the meantime, of course. Yet "real" in-

(Continued on page 124)

HOW WELL OFF AN AMERICAN FAMILY IS



People's incomes, at 292.4 billions a year, are the highest in history.

For nonfarm families, average income is $6,400 a year.

With living costs steady for three years, buying power and incomes rise together.

The average person's after-tax purchasing power is up 40 per cent since 1929.

Two out of five families expect to earn still more a year from now.

People's savings have never been so high before.

Individuals hold 210 billions in currency, bank deposits and savings bonds.

They own many billions' worth of other securities, homes, cars, equipment.

More than 12 million workers have a stake in company pension plans.

And Americans are protected by 340 billion dollars in private life insurance.

People's debts, too, are at an all-time high.

Their installment debts come to 22.5 billion dollars.

Their other consumer debts add up to 7 billions.

They owe about 72 billions on their homes.

ALL IN ALL, despite record debts, people appear better off than ever before.

© 1955, By U. S. News Pub. Corp.

Ruth Randall

The school teacher who owns an oil company

RUTH RANDALL teaches Latin at San Bernardino High School, San Bernardino, California.

In 1939 she invested part of her savings in 50 shares of Union Oil Stock. This makes her—along with some forty thousand other people—an owner of the 45th largest industrial company in the country.

And entitles her to examine the report card on our sixty-fifth year of business.

It was the largest in our history. Our customers paid us $351,731,678. We didn't keep all of this, of course.

16.8% we paid to our 8700 employees as wages and benefits.

4.8% went for taxes. (This does *not* include $60,000,000 additional in fuel taxes which we collected for the government.)

68.2%—by far the lion's share—we divided among more than fifteen thousand other companies and individuals with whom we do business.

This left us net earnings of 10.2%. From which we paid shareholders like Miss Randall 4.5% as dividends for the use of their money, and reinvested the remaining 5.7% in necessary expansion and modernization of facilities.

We hope Miss Randall is pleased with this report. We are certain she should be pleased with herself. For in wisely investing in American industry for her own security, she has helped to create a higher standard of living for everyone.

* * * *

YOUR COMMENTS ARE INVITED. *Write: The President, Union Oil Company of California, Union Oil Building, Los Angeles 17, California.*

Union Oil Company OF CALIFORNIA

MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL

Heat Transfer Products

To us, fins are sensitive heat transfer surfaces. Proven in use for twenty-seven years, Young Heat Transfer Products provide maximum heating and cooling per dollar invested. Whatever your heat transfer problems may be, Young Radiator Company has the organization and creative ingenuity to design and manufacture to your requirements. Write for free descriptive Catalog today.

YOUNG RADIATOR COMPANY
RACINE, WISCONSIN

"Creative Heat Transfer Engineers for Industry"
EXECUTIVE OFFICES: RACINE, WISCONSIN, Dept. 75D
PLANTS AT: RACINE, WIS. AND MATTOON, ILL.

Turn-Towls

"TAKE" the washroom test

Recently, a large Philadelphia baking company* made a one-week, one-floor test of Mosinee Turn-Towls against two competing brands. Here are the results:

Cost of Towel No. 1	$12.30
Cost of Towel No. 2	$ 8.03
Cost of Turn-Towl	*$ 5.70*

In terms of both cost and quality, results were so conclusive in favor of Turn-Towls that this company installed them throughout the plant.

**Name on request*

BAY WEST PAPER CO.
1100 West Mason Street
GREEN BAY, WISCONSIN
A Division of Mosinee Paper Mills Co.

. . . Millions of families can afford "extras"

come, after taxes, is up 10 per cent since 1947 for the average family—and up 30 per cent since 1929. On a per-person basis, the increase in "real" income since 1929 is 40 per cent.

Looking at it more broadly, more than half of the country's nonfarm families have incomes of $5,000 to $15,000. Not counting those with still higher incomes, then, 18 million families are able to buy an abundance of food, clothing, medical attention, other basic items, and still find income left over for "discretionary spending."

What is involved, officials explain, is the appearance of a big middle-income group able to afford more than just an adequate standard of living. A huge and growing number of families now can enjoy all kinds of extras and, in addition, put aside a substantial part of their incomes for the future.

Other significant changes in family financial status, officials note, are adding a booster charge to these developments in family finance.

New "security" status. At least as important as higher incomes, officials find, is a growing feeling of confidence among American families. It's a feeling based on many developments.

The trend in savings that back up family incomes is one factor.

Altogether, American families and individuals now own well over 200 billion dollars in cash, bank accounts and savings bonds. That figure is rising steadily and rapidly.

Family holdings of other securities, too, add up to big sums. Corporate stocks and bonds, State and local bonds, other U. S. bonds, together, make up a multibillion-dollar pile of savings.

In addition, the typical American family owns—or is buying—a home. Nearly 3 in every 5 families now live in homes of their own.

These savings and investments, officials find, are but a part of the reason for a mounting sense of well-being and security among American families. An expanding stake in insurance and pension plans is another significant factor.

Life insurance offers one example. In 1945, Americans had 152 billion dollars in life insurance in force, and were increasing that figure at a rate of 15 billion a year. Now, Americans have 340 billions of such insurance in force and are boosting the figure at a whopping 40 billion a year. The actual equity that families and individuals have in that insurance is about 52 billion.

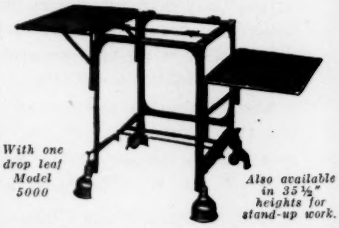
(Continued on page 125)

in Cincinnati your best bet is the NETHERLAND or TERRACE PLAZA HOTELS
You'll feel "at home" with the smooth service, the modern air conditioned accommodations and the excellent food.
"DRIVE-IN" REGISTRATION at the Netherland Plaza. Register in our parking garage and go directly to your room.
John G. Horsman, Gen. Mgr.
Owned and Operated by Thos. Emery's Sons, Inc.

TIFFANY STANDS

WILL STOP THE "SHAKES" in your office

Tiffany's solid, steel construction provides firm foundation for practically all office machines; safer for operators too. Smooth framework eliminates snagged hose, scratches.



With one drop leaf Model 5000

Also available in 35½" heights for stand-up work.

MODEL 5002—Heavy metal castings form solid base, cover retractable positive-action casters. 4-cup open top locks machine base in place, reduces noise and vibration. 2 sturdy drop leaves attach flush with top or low for posting tray.

See your Tiffany dealer or write for complete catalog.

Often Imitated... Never Duplicated

TIFFANY STAND CO.
7350 FORSYTH • ST. LOUIS 5, MO.

. . . Confidence grows with insurance, pensions

A relatively new development is helping to swell the typical family's protection against death of the worker. This is group insurance, paid for wholly or largely by employers. Already, nearly half of the entire U.S. work force is protected by group insurance.

In addition, nearly all families enjoy something similar to life insurance in their Federal Old-Age and Survivors' Insurance system.

Protection against old age is cited by officials as another reason for growing confidence.

The average income earner, if he continues on the job, can plan on an old-age pension of $162.80 a month for himself and his wife at age 65. That's the prospect under the federal system.

–United Press

BANK ACCOUNTS ARE GROWING
So are cash assets, securities

In addition, more than 12 million workers now are protected by company pension plans that will pay them retirement incomes on top of their federal pensions. These company pensions typically range from $50 to $150 a month.

Moreover, the typical family finds it possible to save independently for old age.

What all this means is that the average American family now can plan to enjoy three separate sources of income during retirement.

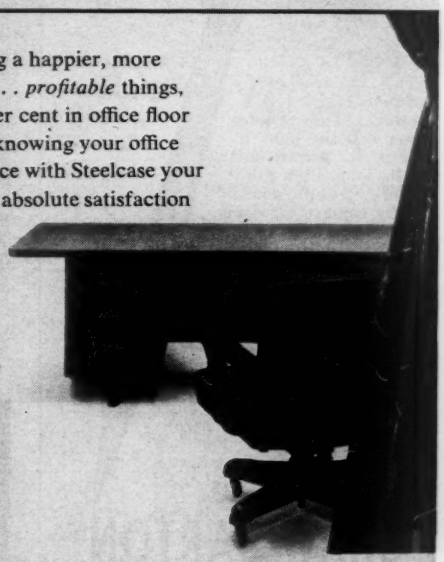
For growing millions of workers, even the prospect of unemployment or illness seems less menacing than it did a comparatively short time ago. Unemployment-insurance and workmen's-compen-

(Continued on page 126)

Wonderful things happen to your office when you buy

STEELCASE

. . . *wonderful* things like having a happier, more energetic office working force . . . *profitable* things, such as saving as much as 25 per cent in office floor space . . . *satisfying* things like knowing your office furniture problems are over, since with Steelcase your first cost is your only cost. With absolute satisfaction as its golden rule, Steelcase continues to serve the fine companies of America . . . as it has for over forty years.



FREE . . . "Sunshine Styling" . . . *the most unusual, most dramatic office furniture brochure ever created. Please request it on your letterhead, addressed to Department H, or ask your local authorized Steelcase dealer.*

STEELCASE INC GRAND RAPIDS, MICHIGAN

WHENEVER YOU WANT TO MAKE A GOOD OFFICE . . . A LITTLE BETTER

How splendid to fly the Connoisseur to Australia!

Let us consider The Connoisseur, which speeds from San Francisco to Sydney in 35 exceptionally comfortable hours. This *Qantas super Super Constellation carries but 39 passengers, all 1st Class. These happy few rejoice in an epicure's choice of food and wine, an elegant lounge, deep sleeper chairs, the service of a cabin staff of 4. All at no extra fare.

Ask your Travel agent or any Qantas or BOAC office about this or other (1st Class and Tourist) Qantas flights across the Pacific; across the world to 26 countries on 5 continents.

QANTAS

*Pronounce Q as in cuisine

AUSTRALIA'S OVERSEAS AIRLINE

BARTON *Sabre* PENCIL

Keep your business card alive and active!

This business card doesn't get filed away. The people you call on want it, keep it, use it. It sells long after you've gone, keeps you in daily contact with your customers, helps to open the door on future calls.

The new Barton Sabre, slim, trim, beautifully balanced, is the most wanted pocket pencil in 20 years. Your choice of smart color combinations, each with more than 2½ inches of advertising space.

If sales is your job, here's one tool you need. For full details, call your Shaw-Barton representative, or write direct.

SHAW-BARTON

Calendar and Specialty Advertising

GENERAL OFFICES AND PLANT, COSHOCTON, OHIO
SALES OFFICES IN PRINCIPAL CITIES

Quincy
COMPRESSORS

QUINCY MAKES THE BEST AIR COMPRESSORS

21 Models From 1 to 90 c.f.m.

QUINCY COMPRESSOR CO.
Dept. US-32, QUINCY, ILLINOIS

. . . Debt keeps step with higher incomes

sation programs are one reason. Another is the rapid spread of company plans that offer the typical worker hospitalization and surgery benefits, plus regular wages and salaries during illness.

Debts up, too. Family debts, meanwhile, are at record highs and still going up. Officials are watching the trend closely.

Consumer debt and mortgage debt on nonfarm homes today add up to more than 100 billion dollars, representing about 35 per cent of total personal incomes. That is a higher percentage than in boomtime 1929 or in the period just before World War II.

The great majority of family debt

–USN&WR Photo

BUYING ON CREDIT
. . . indicates confidence

today is owed on homes—about 72 billion dollars. This huge debt has come as a direct result of the Government's policy of encouraging home ownership through easy credit terms.

Officials are concerned more by the rapid increase in mortgage debt in recent months than by the volume of debt as it now stands. It is pointed out that, as long as times are good, relatively few families are likely to get in trouble on their mortgage debts. Most mortgages are stretched out over long periods, with low monthly payments—much like rent.

This additional point is emphasized: Debt is backed up by vast personal wealth—by family savings, by a record 292.4 billion dollars a year in personal incomes, and by families' big equities

(Continued on page 127)

SAVE BY MAIL

EARN 4% CURRENT RATE

ON OUR PREPAID SAVINGS CERTIFICATES

One of Chicago's Oldest and Largest Savings Associations . . . where prepaid savings certificates earn 4%! Send check or write for Free Financial Booklet. Act Now! Accounts opened by 15th earn from 1st.

Address Savings Dept. 100.

$25 Million Strong!

CITY SAVINGS ASSOCIATION
1656 W. Chicago Ave., Chicago 22, Ill.

500 AIR-CONDITIONED Guest Rooms

NOW you can be *sure* of an air-conditioned room when you come to Baltimore! Teletype: BA 263.

The Lord Baltimore HOTEL

Geography of critical world areas, will be discussed by expert professors at McGill Geography Summer School, Stanstead, in Canada, on Vermont border. Pleasant surroundings, extra-curricular activities. Six weeks beginning June 27th. For information write

GEOGRAPHY SUMMER SCHOOL,
McGill University, Montreal, Canada.

THE Skirvin HOTEL
BROADWAY AT PARK AVE • OKLAHOMA CITY
FIVE-HUNDRED BEAUTIFUL ROOMS

. . . Tougher to borrow as boom continues

in the homes, automobiles and other things they are buying on credit.

All this wealth, along with the sense of security offered by insurance and the promise of old-age pensions, gives the typical family a feeling of well-being that encourages more buying on the cuff. Big debt, thus, tends to follow big incomes.

If, as expected, American families get still more prosperous as 1955 wears on, personal debt may grow considerably bigger than it is now.

› Credit scarcer. Little by little as the recovery proceeds, money is getting less abundant. Businessmen, home builders, others find it just a bit tougher to arrange loans on terms that make deals worth while. Government bonds—as both a sign and a result of this tightening—continue to weaken in price, and strengthen in yield. The 3¼ per cent 30-year bonds, which sold at around 110 at year end, now bring offers of 106.38. The Treasury last week had to pay nearly 1.5 per cent for its 90-day loans, highest in some time.

You can expect this trend to continue as long as the business recovery remains vigorous. That's the official word. Federal Reserve System is being careful not to choke off a business boomlet. Yet the System is keeping unrelenting pressure on the reserves that determine the ability of banks to lend.

› Stock steeplechase. General Electric led all corporations listed on the New York Stock Exchange last year in the number of new common-share owners. With a 3-for-1 stock split last June, the lower price attracted nearly 50,000 new shareholders in the year. American Telephone and Telegraph, though, with 1,307,215 stockholders, still has more shareholders than the combined total of the next four corporations—General Motors, Standard Oil (N.J.), General Electric and U. S. Steel.

› Postal deficit. The Postmaster General, who wants all postal services paid for by users, reports that taxpayers were subsidizing the postal users to the amount of just under 400 million dollars in the year ended last June 30. About one dollar in every seven of Post Office Department costs in the year was paid for by taxpayers. Commercial users, says the Postmaster General, were the chief beneficiaries, since about three fourths of all first-class mail and almost all of the second and third-class mail originates with them.

wonderful MEXICO has everything!

Like a taste for sizzling steaks served beside a sparkling pool, everyone has a taste for Mexico with its spring-cool cities and summer-warm beaches . . . its old-world villages and glamourous nightclubs. You'll find prices in Mexico very much to your taste, too, when you see what a lot of luxury your vacation dollar will buy!

See your travel agent or
THE MEXICAN GOVERNMENT TOURIST BUREAU
New York • Chicago • Los Angeles • San Antonio
San Diego • Houston • New Orleans • Miami

This announcement is not an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE April 6, 1955

262,750 Shares

Storer Broadcasting Company

Common Stock
Par Value $1.00 per Share

Price $24.625 per Share

Copies of the Prospectus may be obtained in any State only from such of the several Underwriters named in the Prospectus and others as may lawfully offer these securities in such State.

Reynolds & Co.
Incorporated

Hornblower & Weeks Paine, Webber, Jackson & Curtis

KRAFT SYSTEM RECAPPING

A GENERAL TIRE SERVICE

AT YOUR SERVICE

for greater bonus mileage

MORE MONEY-SAVING MILES. It's the bonus miles you get from high-quality, low cost KRAFT Recapping that makes the extra money for you. Find out for yourself what a business-like, money-saving program the Kraft System can be for your type of operation. Call your General Tire Distributor—Headquarters for every Truck Tire Service.

1 Extra-long mileage, top-quality materials

2 Factory-approved equipment

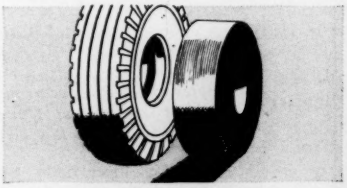
3 Factory-trained recappers

4 Guaranteed service

CERTIFIED INSPECTION
Assures you that your tire can be recapped safely!

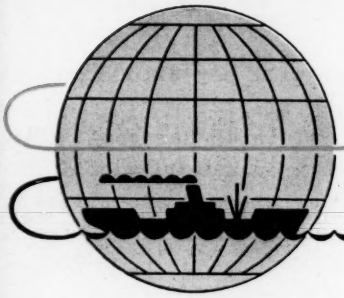
ACCURATE BUFFING
Precision buffing assures better adhesion of new tread to tire body.

EXPERT BALANCING
This alone means up to 25% more mileage.



NEW TIRE RUBBER
The same high quality rubber used in the new General tire.

KRAFT SYSTEM RECAPPING IS AUTHORIZED ONLY BY THE GENERAL TIRE & RUBBER COMPANY



Business Around the World

OTTAWA • LONDON • JOHANNESBURG • ROME

›› "U fever" has been raging through the Canadian stock exchanges in the last couple of weeks. U stocks--the uranium issues--have been heating up the speculators and vice versa.

Toronto Stock Exchange has been dwarfing Wall Street in volume of trading. Toronto recently has run above 12 million shares on several occasions. Four million shares make a big trading day on the New York Stock Exchange. Of course, most of the Canadian shares are very low-priced--"penny" stocks.

Surge in Canadian markets has been very selective. Speculative mining and oil stocks have been strong. "Blue chips" have been moving sideways.

Little margin buying is evident so far. Uranium issues are getting the big play, with plenty of interest in columbium, tantalum, lithium, too.

All signs clearly point to Canada as one of the most important producers of uranium--with large private production getting under way next autumn and picking up rapidly in 1956 and after. Canada will obviously turn out far more uranium over the years than the U.S. will--judging from known deposits.

This prospect has been pointed out before on these pages.

›› Trouble about uranium operations is this:

Capital investment necessary is very large in the bigger Canadian developments. That means a lot of money has to go in before there's any return.

Moreover, there's a day circled on calendars of most uranium producers--March 31, 1962. U.S. Government buying contracts extend to that day, not beyond.

It may be that the big profits will have to be made before that day.

Uranium may well be coming out everybody's ears by 1962. You can hear whisperings to that effect now. The big, low-cost producers, of which Canada will have her fair share, will be well set by 1962. Many others will drop by the wayside. So warning flags are flying for speculators.

›› Meanwhile, tax cuts are ahead for Canadians. Finance Minister Walter Harris calls for incentive tax reductions to continue Canada on her slow recovery from a business dip last year.

Canadian budget in the year ended April 1 showed a deficit of 148 million dollars. This was the first red ink for Ottawa since 1946. Reduced farm income and rising unemployment took their toll of tax revenues.

Total Canadian spending in the new fiscal year is officially expected to increase 5 or 6 per cent, assuming a rise in capital investments, consumption and exports. But Mr. Harris feels the stimulus of lower taxes is needed, even if this entails another deficit. He'd rather inflate a little.

Canadian income taxes are sliced about 10 per cent, on average. A married

(over)

Canadian, with two children, who is making $10,000 a year will pay $1,308 in income tax at the new rate. His American counterpart pays $1,372.

Corporation taxes in Canada also are decreased from 47 to 45 per cent, as against 52 per cent in the U.S. The 15 per cent excise tax on new automobiles drops to 10 per cent, same as it is in the U.S. Some other excises are trimmed.

Investment companies operating in Canada will be taxed. These firms, a number of which have been set up with U.S. capital in the last year, now are exempt from corporation taxes if they pay out 85 per cent of their income in dividends. New proposal is that they be taxed uniformly at 20 per cent of income. This will close a tax loophole irritating to Canadians.

>> In contrast to Canada, Britain ran a large budgetary surplus in the year to April 1. But the chances of heavy British tax cuts are small indeed.

British budget, to be presented April 19, is a puzzler. The Eden Government, facing elections soon, would like to lighten the taxpayers' burden. But British consumption is at such a high level already, and imports are so big, that Britain is having to dip into reserves to meet foreign obligations. So putting very much more purchasing power at the disposal of the people is considered unwise in many circles. A few sops, such as cutting the tax on beer or on gasoline, are about all the British expect.

>> Capital-equipment exporters are taking a new look at East Africa.....

Railroads, harbors and roads are being modernized and extended in Kenya, Uganda and Tanganyika at a cost of 100 million dollars. Transportation and communications are real bottlenecks in this area. The World Bank is putting up [illegible] million dollars a loan to help pay for port equipment, locomotives, rolling stock, track, trucks, spare parts, etc.

>> Meanwhile, on the Zambezi River in the Central African Federation--

A quarter-billion dollars is to be spent on a huge hydroelectric development in the Kariba Gorge. The Kariba Dam, a mammoth construction job, will back up a lake 30 miles wide and 150 miles long.

Electric-power generation per year at the Kariba project is expected to be about 6 billion kilowatt hours on completion. Generating capacity will be triple that now installed in Northern and Southern Rhodesia.

Plans call for 16 units of 77,000 kilowatts' capacity apiece to be installed at Kariba. Bids will be open to international competition.

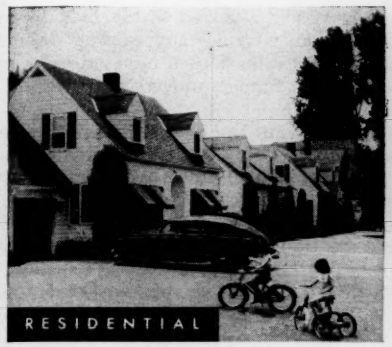
The World Bank is looking into making a loan on this project, but most of the money will be put up by the Federation Government and by London.

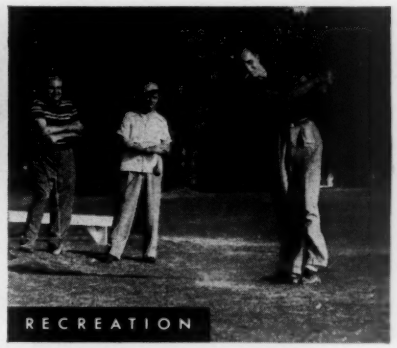
>> Prosperity note: Signs of a rising standard of living show up in Italy.

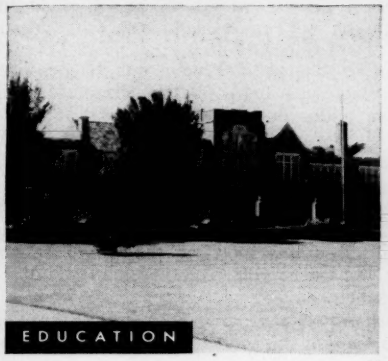
Last year not only did Italy's consumption rise--by about 5 per cent--but the rise was mainly in the "luxury" categories. Purchases of bread, grain products, fats and oils rose just a bit and fewer clothes were bought.

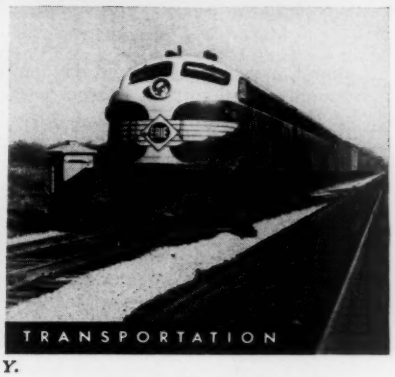
But Italians spent 17 per cent more on sugar, jam and honey; 16 per cent more for private transportation; 9 per cent more for movies and other types of entertainment. These are revealing figures, since Italians are closer to subsistence living than most West Europeans. Trend toward buying more luxuries, having more fun is general throughout Western Europe. It's a new fact to be considered by those selling in Europe. Prosperity was never higher there.

YOUR NEW PLANT WILL GROW IN THE ERIE AREA









New plant of Art Metal Construction Company, Jamestown, N. Y.

the plant site that pays off for industry

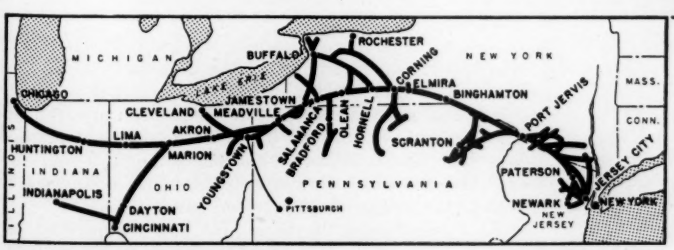
• Go where industry gets the advantages of the middle-sized town—better living conditions that show up in increased production, better morale.

We will help you select one of the middle-sized towns in the Erie Area—the heart of the nation's single largest market. Here a third of America's people live, work and buy.

Products and markets are close to each other. Industry is well served by the dependable Erie Railroad—the progressive railroad which offers the best in transportation. Mail the coupon below today.

Erie Railroad

Serving the Heart of Industrial America



For more detailed information, send in the coupon below. Your request will be handled in strict confidence—and without obligation.

D. M. Lynn, *Assistant Vice President*
Industrial Development—Room 522-A, Erie Railroad
Midland Building, Cleveland 15, Ohio

Dear Sir: We are interested. Please send us your Specification Card on which we can list our needs.

Name _____

Title _____ *Company* _____

Address _____

City _____ *Zone* _____ *State* _____

CRUSADE IN ASIA

[Continued from page 90]

that the worst they could say of me was that I was pro-American. All sorts of charges were made against me, some of them strange indeed to a man who had worked all his life with one purpose always in mind: the freeing of his country.

Now we had that freedom, and I was being vilified for being grateful to the great friendly nation that had voluntarily set us free!

In the United Nations I had argued against the Communists. Now I was actually fighting them for the first time in my own country. It seemed inconceivable that they had been able to take so firm and secret a grasp on the Philippines, and in so brief a time.

As I have said, there had been a few red bubbles rising here and there to the surface, even before the war. One group in the province of Pampanga had even succeeded in electing a Communist mayor (who, by the way, had been educated in the United States and at one time was employed in the post office in Chicago).

"The Pioneer Subversives"

We must not forget the significant fact that this movement began in and was limited then to Pampanga, a province of huge land holdings, where the tenant farmers were so mistreated by some of their wealthy absentee landlords that many were still paying off the debts of their great-great-grandfathers, increased by the centuries, which they could never hope to pay off in their lifetime but must pass on to enslave their sons.

The leader of these pioneer subversives was one Pedro Abad Santos, who started as a convinced Socialist.

When the war broke out these men became guerrillas and fought heroically and long against the Japanese. During the war Pedro Abad Santos died.

After the war a new crop of leaders rose in their ranks. One was outstanding—the labor leader Crisanto Evangelista, a printer by trade who had organized the Printers' Union in the Philippines. He had visited Moscow and been indoctrinated there with Communism. Another was the fiery Luis Taruc, no longer a student organizing "literary parties."

As soon as the war ended and the elections were held, Luis Taruc entered the arena as a full-fledged politician under the hammer-and-sickle. He was the only Communist candidate to win a seat in our Lower House.

Communism had been outlawed as seditious in the Philippines while Manuel L. Quezon was still President of the Commonwealth. Acting on the fact that Communism was an outlaw party, the house members voted to deprive Taruc of his seat. Thus ousted, Taruc made no more efforts to fight in the open. He left Manila and fled to the hills. There he joined the guerrillas, who were already causing disorder in the province. He was joined, in his self-imposed exile, by his friend and advisor, the former university professor, Dr. Vicente Lava.

Now they were organizing the bands of guerrillas into a Red Army of the Philippines. These were the Huks, and they were already laying their plans to take over a country struggling to rise above ruin.

The scope of their plans was not yet apparent. We could only see that there was trouble. There were sporadic outbursts and attempts to intimidate, and a great deal of scurrilous talk. There were also threats, and these became louder as the campaign for the Trade Act went on and the approaching plebiscite promised victory for our side.

Story of a Bomb Plot

The night before the general vote was to be taken, a huge mass meeting was held in the Plaza Miranda in Manila. I believe about one hundred thousand people attended to hear the two speakers for the Trade Act—President Roxas and myself. I spoke first, then President Roxas made his speech and sat down, and just as I was shaking his hand to congratulate him a bomb exploded on the grandstand. The photographer standing before us to take our picture absorbed most of the bomb fragments; poor fellow, his life saved ours. Another man standing four feet away was killed.

In the confusion we saw a man running through the crowd. He was caught by police. We learned he was a Communist, a barber named Guillen. He had occupied a seat directly under the grandstand and from there he had tossed the bomb.

At the time the most important fact to us all was that Roxas had been saved.

About five o'clock the next morning a weeping woman knocked at the door of my room in the Manila Hotel. I recognized her as the wife of Amado V. Hernandez, a brilliant young poet, writer, and orator, in the vernacular, who before the war had edited the Tagalog language newspaper *Mabuhay*. He had been a regular attendant at the "literary parties" and had given several in his own home.

He was a man I liked very much and in whom I had implicit faith. After the war, when I had no newspaper work for him—in fact no newspaper—he had asked me to recommend him to a position with the U. S. Army in the Philippines. This I did gladly, and he was employed as a translator of Tagalog in Press Relations. Then while in the United States I had heard with surprise that he was no longer with the army, but was running for Councilman in Manila.

People began asking me if I had heard any of his speeches. "They're downright subversive," I was told. "The man must be a Communist."

Amado Hernandez was the last person I would have expected to fall for Kremlin propaganda, and I lost no opportunity to say so, to everyone who mentioned his name. So for the past year I had defended him, from my distant post in the United States.

Now his wife was at my door, weeping. The barber Guillen who had thrown the bomb at the rally had confessed he had been urged into the act by Amado Hernandez.

She told me that her husband had been arrested and that the fiscal, as we call the district attorney, had refused both men bail. She believed in his innocence, and she convinced me. Also, he was a former employee and fellow worker and I had trusted him implicitly for years.

So I telephoned the fiscal. He was not pleased at being

. . . "Alger Hiss was so young, and so unassuming, that I gave him no importance during the founding of the United Nations"

roused so early. He was less pleased when he learned what I wanted. In fact, he sounded shocked.

"General, don't you know the man's a Communist?" he said.

I said I knew nothing of the sort. And I added, "I have just come from America where a man is held innocent until he is proven guilty. We have also been trained in that belief. I believe Hernandez is innocent, and I hope you will see your way clear to allow him to go out on bail."

Hernandez was set free. Guillen remained in jail. The case came to trial and Hernandez was acquitted. Guillen, the scapegoat for Moscow ideology, was executed.

I was to meet again with Hernandez.

Meantime, the plebiscite had come and gone, and the Trade Act had been approved by an overwhelming majority.

Philippines: Postwar Progress

I returned to New York and the United Nations, pleased with the results of the campaign and with all that was being accomplished in the Philippines and thanking God that Roxas had been spared. In spite of all the postwar difficulties, he had assumed a normal leadership. He was restoring the government agencies, he had reopened the courts, and was rebuilding the roads and areas wrecked by the Japanese in their final orgy of murder and destruction. But beyond all, he had reunited a people who had been divided during the war between the collaborators and the pro-Americans. Of all the ugly tasks Roxas had to face, this had been the worst, built as it was on bitterness and suspicion.

In New York one of my pleasanter duties as permanent delegate to the United Nations was entertaining visitors from the Philippines. One day a surprising visitor arrived at our Philippine Mission offices. It was Hernandez, only now he had achieved another metamorphosis and was a labor leader. He told me that he had been sent to the United States to study its labor conditions and that his trip was being financed by the Filipino labor unions.

His had been an eventful journey from Manila. Evidently American Intelligence had reports concerning him, for in Honolulu he was detained for questioning by the immigration authorities. Directly after being released he called a press conference and gave out statements that made shocking headlines around the world. He charged that American immigration authorities had abused and humiliated him because he was a Filipino, and that there was no freedom to be found in the United States.

While I regretted this incident I could not understand it, and I did not learn until later that he proceeded to San Francisco and had a visit with Harry Bridges, the labor leader long accused of Communist affiliations.

I received him in New York as I would any visitor from home: took him to the sessions, was photographed with him, and autographed the photograph as a souvenir of his visit.

He did not leave New York.

It seemed that everywhere one turned, there was Hernandez, and always as the inseparable companion of a temporary member of our Philippine Mission to the United Nations. I had chosen this young fellow out of many university students in Manila for his potentialities of leadership, his intelligence, his liberal views and fine appearance. He was one of the brightest of our young men. He gave every promise of a brilliant career in the service of our country, and I had determined to help him as much as was in my power.

Let us call him Roberto.

Apparently, these two met in New York as strangers. When I learned that they lived at the same hotel, I thought that since both were strangers in a new land, it was natural that they should become companions.

When a man has four sons of his own he likes to think of himself as understanding of youth. Whenever Roberto came into our office to ask for one of his temporary assignments—he was not a regular member of my staff—he always carried a copy of the *Daily Worker*. I decided he had a right to read at first hand the writings of the leftists if only to know how to argue against them. Of his frequently voiced anti-religious views I thought leniently: He is young!

(Alger Hiss was also young. So young, and so unassuming, that I gave him no importance during the founding of the United Nations. I do not remember Hiss as having played a conspicuous role at San Francisco.)

As time went on I placed additional semiofficial responsibilities on Roberto. He became my trusted aide. Life in the United Nations can be hectic. With six committees meeting all at once no single individual can attend to all. I often sent representatives from the Philippine Mission to vote according to my instructions, and Roberto with his swift and easy way of summing up situations became my favorite messenger to carry these instructions.

Several incidents displeased me, but he could explain them away. Once he told me he planned to attend a controversial political meeting. I told him that the members or friends of members of a diplomatic corps are not supposed to attend the partisan political affairs of another country. He seemed to agree with me. Later I learned he had been at the meeting.

Again, I thought: He is young.

I gave him more responsibilities as the need arose.

Then came sessions in Europe—Rome, London, Geneva, and Paris. Roberto was indispensable over there. Also who should be with us, hovering around the Assembly in Paris, but Hernandez! He seemed to have forgotten all about his assignment to study labor conditions in the United States. Here he was as an unrecognized attendant to the United Nations, living in the same hotel with Roberto, and being seen with him everywhere.

As long as Roberto's work did not suffer it seemed none of my business. It was pleasant that the boy had a friend from his own country on this side of the world.

Example of Red Technique

While we were in Paris a case came up in the General Assembly. Jan Papanek of Czechoslovakia, who had become *persona non grata* with the Communists in his own country and had taken political refuge in the United States, was a candidate for the Administrative Board. He had served on the Board before, and as I knew him personally and admired him for his ability, I pledged myself to Papanek and instructed Roberto to tell the member who was to represent me in the committee that he was to vote for Papanek. My instructions were specific.

Several days later, chatting in a group in the lobby, I expressed myself as sorry that Papanek had not been elected. Someone said bitterly, "Why are you sorry, since you did not

. . . "Under our very noses, too close for us to see, was the pattern Moscow was pushing together with such devilish exactitude in the Philippines"

vote for him?" I was indignant. "Certainly I voted for Papanek! I gave specific instructions . . ."

Roberto took my scolding with his usual calm. "I misunderstood you."

He could not have misunderstood. I can see that now, and much else. At the time I felt that I had unwittingly double-crossed a fine man black-listed by the Soviets.

This was particularly annoying to me, since by this time I had foisted upon me in the General Assembly the role of principal antagonist of the Communist delegates. I knew that in the Papanek matter I had lost out to the Communists, and I blamed my own stupidity in failing to make myself understood. It did not occur to me to blame Roberto, who was so willing and intelligent, and so young.

Some time after this, he decided to return to Manila. I gladly assisted him to a responsible post and I said good-bye to him with perfect faith in his integrity and his chances for advancement. With him, back to Manila, went his inseparable companion, Hernandez.

I shall say no more of Hernandez. He will not figure again in this account of what was taking place in the Philippines, beyond the fact that at present he is in prison, serving time for sedition. But I am only trying to show how segments that at the time seemed very small and unimportant were being cleverly fitted together until there appeared all at once before our unbelieving eyes the completed pattern. Under our very noses, too close for us to see, was the pattern Moscow was pushing together with such devilish exactitude in the Philippines.

Certainly we did not suspect the place in the pattern reserved for the so-young and so-willing Roberto. Every report from the Philippines told of the good work he was doing in Manila.

But while I remained unaware of what was being worked out in my own country, the role of Russia in the United Nations had become only too clear. The organization of the Freedom of Information Conference under the auspices of the United Nations in Geneva in 1948 brought out new and surprising facets of the Soviet character.

It was there Russia showed her true colors for the first time, not only to the conference, but to the world.

Geneva: Russian Turnabout

At Geneva we saw the Russians not as the surly boors of the United Nations, but as suave masters of diplomacy. Sixty-four nations were represented, including some, such as Albania, Austria, and Switzerland, which were not members of the United Nations. Despite the great size of the gathering it was in this conference that we succeeded in getting unanimous votes, and for the surprising reason that the famed Russian "*Niet*" was conspicuous by its absence. This I believe was because Ambassador Alexander Bogomolov, the chief Soviet delegate and one of their ablest diplomats, wanted to convince the world that Russians did not always take the contrary stand; that they could be amiable and reasonable.

But it soon became apparent that this amiability and reasonableness was reserved for matters non-essential to foreign policy, and that in all matters pertaining to the United States they were adamant as ever. Their iron purpose was veiled under a show of courtesy, but it was there. Bogomolov knew all the old tricks of the magician and the defense attorney and the diplomat, of making important issues seem unimportant and trivial issues appear of overwhelming importance. In lobby or salon or bar the Russians were relaxed and friendly, but once on the floor or in the chair and an issue arose that really mattered—then they were fanatics. It was as if a signal were given and masks donned again.

A great deal of Bogomolov's success at Geneva, socially and otherwise, was due to his charming wife, who spoke English well and acted as his secretary and interpreter and hostess. She was as intelligent as she was attractive and was, of all things, a civil engineer! She had made many friends for Russia before the conference at Geneva ended.

"Friendliness" as a Weapon

So while in the United Nations we had been repelled by the arrogance and aloofness of the Russian delegates, in Geneva we were struck by their friendliness. They were leaning backwards to be friendly and make friends, and on every hand delegates of other nations could be heard remarking, "Say, the Russians aren't such bad fellows! Not stubborn at all, once you get to know them!"

My own suspicions, roused at San Francisco, were slow to die. I cannot believe in these national overnight sea changes. Has the soul of Nazi Germany been changed? Or the ancient spirit of Japan?

So at Geneva, amidst all the smiling and bowing and handshaking, I still found myself wondering, is this actually the new Russia? Can we believe in this expansive mood?

Every minute of their waking hours the Russians were at work winning friends. I noticed as the days went on that they were not only winning friends for their side, they were winning friends *away from the West*. This was an unmistakable peace offensive they were conducting in the guise of congeniality and conviviality.

Their campaign had one curious result. Heretofore in international conferences the Great Powers had paid little attention to the small nations. In this, the Western world had erred.

In San Francisco for the first time the small nations had been given consideration and the right to speak, and for this, and for only this, we can thank the Soviet.

One of the most revered members of the United Nations, respected even by Molotov and Vishinsky, was Joseph Bech, a truly great leader who was chairman of the delegation from Luxembourg. He told us how he had represented Luxembourg as its Prime Minister at the Treaty of Versailles, and in the presence of Wilson and Clemenceau was pleading the cause of his small country, when a representative of one of the larger powers asked: "Where is this country of yours? I can't see it on the map."

And Bech had answered smartly: "Of course you can't see it, because it is under your thumb."

I know how he felt, because when the design for the United Nations emblem was drawn at Lake Success, the world map centering the design did not show the Philippines at all. I protested, and the designer protested back.

"If we put the Philippines on, it will show no bigger than a pinpoint," he argued.

. . . At Geneva: "Here were the Russians, deferring to us and paying us the attention that had never before been ours"

I said, "Put the pinpoint there."

And it is there, and you see it only if you look with care, but the fact that we are on the map means a great deal to our small nation.

No matter how small the country, it not only has its rights, but may have great importance; how and when, no one can foresee. The lad with his finger in the dike was only a very small boy, but according to the legend, he saved his country from inundation. That can be taken as a modern parable. Consider Greece after World War II, when so-called guerrillas from Albania and other puppet states infiltrated there, indoctrinated the citizens with Communism and succeeded in turning Greek against Greek. Greece was rapidly changing into another puppet state.

Russia's main objective there was one that had always been denied Russia—to go through Greece and use it as their outlet into the Mediterranean. This Soviet plan would have snipped Europe in two and denied the Western powers the right to the Suez Canal. It would have turned Europe over to the Soviet.

America stopped that plan. General James Van Fleet was sent there with American military strategists to help train the Greek patriots, who held their little land against the Soviets.

Eight million resisting Greeks prevented the carrying out of this plan even as they had prevented during the Second World War the planned meeting of Hitler's and Mussolini's troops in their country. Greece by its delaying action made it possible for Eisenhower to land in Africa and later in Anzio.

In the Philippines, the delaying action of four precious months in Bataan and Corregidor gave Australia and the Pacific Coast time to prepare; this according to the statement of Chief of Staff Marshall.

These are two small countries that played important roles in the democratic defense in World War II.

The United States, England, and France, conscious of their own powers, had always before ignored the opinions of the tinier nations. Here were the Russians, deferring to us and paying us the attention that had never before been ours, and this, by contrast, did us a great deal of good. It was beyond the realization of many of the delegates of the previously ignored countries that this good was being done out of the hatred Russia bore the great Western powers, and Russia's determination to belittle the United States, England, and France.

"Russians Tried to Win Me"

Even though the Russians were by this time well aware of my pronounced antagonism, they still tried to win me because I belonged with the smaller nations. When I was fighting for Philippine reparations in the Far Eastern Commission in Washington and was obliged to make statements not too favorable to America, the Russian delegates always paid me congratulatory visits later to commend my statements; the effect was always that I made a point of softening my comments at the next session.

At Geneva I was nominated for the presidency of the Freedom of Information Conference, whereupon the Russians immediately backed another man, the delegate from India. They must have felt I was a strong candidate, because the day before the election one of their delegates came to tell me in emphatic terms that they would support me. I had been so certain they were against me that I doubted this pledge, so after the election, I asked to have the votes counted. I knew every country that had been pledged to me, and by the count I was able to tell that I had definitely not received the Russian vote.

However, the offer had been made in the friendliest fashion, and everything the Russians did at Geneva was done with every appearance of courtesy and charm.

As before, I was invited to their parties and to the affairs given by their satellites, where the customary Soviet propaganda was passed around with the boundless supply of liquor and the excellent Russian foods. Pamphlets were handed out, or motion pictures shown, displaying all that was being accomplished under Soviet rule in Poland or Czechoslovakia or some other puppet land, and everything they did was well done.

It seemed to me they were always giving parties or attending parties. Our dour Russians had become the playboys of the conference. They were everywhere; they mixed with everyone.

I noticed also in Geneva that as a rule the American delegates spent much of their time together. Evenings, in restaurants, they would be seen dining together, a tight band of compatriots in a foreign land. At the time it struck me that they would learn more and give a better impression if they mixed more with the other nationalities, as the Russians were doing.

Death of President Roxas

One evening in Geneva a dinner was given in my honor by the delegate of Lebanon. I happened to glance toward the door and saw my aide, Major Cesar B. Jimenez, and my son Gregorio standing there. By the expression of shock on their faces I knew something terrible had happened. They hurried to me, and one whispered, "We have had a phone call from Washington." My first thought was of my wife, then one of them whispered, "President Roxas has just died."

I had to excuse myself to my hosts and withdraw, trembling with an emotion composed of both relief, since Virginia was safe, and utter despair.

Once again, and in a time of dreadful need, the Philippines was left leaderless. We had had a great leader in Quezon. He died in the critical time when we were trying to recapture the Philippines. Now, only two years after we had become independent and made Roxas our President, he was dead. Elpidio Quirino, Vice President, took the oath of office.

The death of Manuel Roxas was symbolic. He was speaking at Clark Field, an American Army air base in the Philippines. He completed his speech with the dramatic promise that the Philippines was ready to throw all its forces behind America in the fight against Communism. Just as he finished making this pledge, he collapsed.

He was picked up by American doctors and carried to an American hospital on the field. There he died, on American soil in the Philippines.

In this most critical time in our country's history, we had lost our greatest leader. What followed was inevitable—graft, corruption, and the resultant scandals that ruin the faith of a people.

• • •

CHAPTER III — The White Man's Defeat in Asia

IN the three-and-a-half years between Pearl Harbor and Hiroshima the Japanese had succeeded in removing from other Asian minds any lingering doubts there may have been of the Asian's capacity to meet and overcome his erstwhile European overlords. Japan almost won the war, and she won what victories she had under a powerful slogan: "Asia for the Asians."

But Japan prostituted the leadership which she nearly achieved by inordinate greed. Her slogan was only superficially "Asia for the Asians." In effect and in substance, the propaganda trumpets of the Hoo Doo Bu had blared out the gospel of "Asia for the Japanese." She had wooed us all, from the Philippines to the Urals, with the flattering refrain, "We are your fellow Asians. Join us in driving the White Man into the sea!"

Asia, freedom-loving, quick to recognize the new threat of overlordship in another form, had repelled the advance of Japan and joined with the West to destroy her.

During that period of war the Asian learned his own strength. Over the tramping of Japanese army boots there had been heard a consistent deeper cry of "Asia for the Asians." Asia spoke with one voice, as long as Asians faced the common danger. For a time they had but one objective, the overthrow of an arrogant aggressor.

Asia's Postwar Disunity

When Japan collapsed, the unity of Asia began to fall apart, lacking as it did the cement of a common threat. In the place of that unity there began a diversity of regional aspirations, but in one sense they still shared the same objective, which was, as before, freedom from alien rule.

So the Asian's centuries-old determination to be free of foreign domination was strengthened by war and the defeat of Japan. With the aggressor Japan out of the way, surely the White Man could be forced out of the Far East, even by a weakened and depleted Asia!

• • •

So we must realize that while Japan lost in its blueprint of war, it was the winner in its attack against the White Man in Asia. Long after the Emperor gave his dignified signal of withdrawal, the fight against white domination went on in other parts of Asia.

The fighting did not stop in Indonesia, where a reluctant Netherlands refused to give up her richest possession. In Indochina the war-born passion to end alien rule turned the people there against the French. Throughout the entire mainland of southeast Asia the fires lighted by the Rising Sun burned on and the fight for freedom continued to rage in lands ravaged by war, with their communications and age-old social orders in ruins, with all the old values lost, and all passion spent save the indestructible urge for release from alien rule. Which, in Asia, means "against white supremacy."

Then into these leaderless and chaotic areas of desolation, hunger, and death, a newer and louder voice took up the cry of: "Asia for the Asians." It came out of Moscow and it threatened to shake the world.

To the underprivileged man of Asia who had never known what it meant to go to bed with a full belly, Communism promised food and the right not to be bound to foreign rulers —a will-o'-the-wisp Paradise to be won only by yielding the freedom he did not possess to a Soviet scheme for world conquest. He did not know that Russia planned to conquer his side of the world. Ideology meant nothing to the common man of Asia, who in fact had for countless centuries possessed a far better ideology of ethics and morals than anything that had originated in Moscow. He knew only that his stomach had hunger, that his wife lay dead of hunger, that his children died covered with sores and eaten by flies because he had no food to give them. He knew that for him there was work without sufficient returns to maintain life, an existence without hope; cruelties, indignities, and debasement, and never a chance of Justice.

For these he blamed the White Man.

To such starvelings the preachings of Marx were without meaning. All that mattered was a fistful of rice, a bowl of tea, the right to live. Give that ragged skeleton a gun and tell him, "Fight! Fight for your country and its foreign overlords!" and what would he answer?

Why should he fight for white men!

But he would fight for a change. Any change.

That is the litany of those who have lost faith in the Governments of the lands they live in. "Any change is better than this."

This was the cry in China. In Indonesia. In Indochina.

This was the cry of the starving and it was not heard in London, Paris, the Hague. But it was heard in Moscow.

Moscow offered guns, and fed hatred. It does not matter to the oppressed whether the heel that holds it down is white or brown. It will be hated. The heel of the hated autocrat was on China, Indonesia, and Indochina, and to the haters Communism offered guns and the pledge that was lip service only: "Here is your chance at equality, our fellow Orientals. Here is your chance to drive out the White Man and be free and equal and well fed and self-respecting, like other men. . . ."

No, Communism did not express the longings of Asia. It served only to fill a vacuum. The leaders of the teeming millions of the Far East knew only one purpose—to drive the White Man out of Asia. On this, the Communists built their schemes for infiltration. They gave guns and advice to those who had lost faith. They gave them the cry:

"Asia for the Asians!"

With the same cry, Japan had launched her blueprint of aggression, and had been halted only when she reached the Philippines.

Moscow's World-wide Blueprint

Now Moscow was launching the same world-wide blueprint on the same cry, and once more, following Japan's example, the Russian campaign was headed straight for the Philippines.

By 1948 that campaign was well launched in every part of the world. The hate slogan of "Asia for the Asians" was not only being shouted in the ears of the Orientals, but in the United Nations it was being carefully voiced over cocktails and vodka and cups of steaming Russian tea. This was the year Roxas died and trouble really started in the Philippines; and in the General Assembly in Paris, where we went in session after Geneva, the Russian delegates were bold in letting

. . . "I came into intimate contact with Russia's insolence toward America. . . . I knew my worst suspicions had been justified"

their demands be known, not to their fellow delegates alone, but to all the listening world.

In Paris, in the Palais de Chaillot that September, with the shadow of war all over the world because of the Berlin blockade, the world saw how arrogant the new Russia could be. Here was none of the sweetness and light that had made notable the session at Geneva. Here for the first time we saw the belligerent Vishinsky and found him all out for aggression. Here was my first encounter with Vishinsky, and I may say we met head-on.

Vishinsky: "Undefeatable in Debate"

Vishinksy proved to be a dialectician and undefeatable in debate. Master of sophism, and of cynicism, he knew every trick and could twist any argument his way. In all his debates with me he showed a particular arrogance; it was plain that he had me pigeon-holed with the capitalists.

When I was elected chairman of the Ad Hoc Political and Security Committee, a committee that brought out the duplicity of the Russians as never before, I was appalled as agreements were made only to be disavowed the next day as if they had never been.

On the night before my committee was to vote on the admission of Ceylon to membership, one Polish-Soviet member of the committee actually signed an agreement with us and on the following day voted against us. Upon being shown the paper in the presence of witnesses he blandly denied ever having signed it. We were helpless.

How could we hold our own against such people? Religion, which exercises restraint in others, was lacking in the Russians and their satellites. Their religion was a fanatical creed set in Moscow, and no amount of reason nor appeals to decency could change them. They were unbending iron men, merciless as Nazis; they believed in their Moscow-set policies, and they were out to convince or kill.

In Paris for the first time I became certain that the Russians were inimical to world peace and that it was impossible for any of us among the democracies to come to terms with them.

All we could hope to do in the United Nations was to play a delaying game and try to keep murder out of the world a little while longer, with the hope that the miracle of peace might eventually be achieved.

In the year after this I became President of the General Assembly, and the afternoon of my inauguration Vishinsky held a press conference to announce that Russia had broken the monopoly of the atom bomb.

This terrifying bit of news was given out with deliberate intent, to show that the United States had better understand that Russia was not to be bulldozed by threats of the atom bomb, because she had it too!

° ° °

But as always, in private, the Russian delegates continued to exercise dignity and charm. At private affairs Vishinsky displayed manners worthy of a Russian aristocrat of the days of the Czars.

He liked to crack little jokes, and some were very witty. He paid compliments and made friends.

I recall one dinner I gave in New York for the Foreign Ministers attending the General Assembly session. Grover Whalen, who was then Chairman of the Mayor's Committee, offered a toast:

"To President and Mrs. Romulo, who have won the hearts of seven million New Yorkers."

Instantly, Vishinsky was on his feet with a glass upraised: "And to seven million New Yorkers, add one Russian!"

One night I invited him to the opera. *Manon Lescaut* was sung, and Vishinsky hummed every aria under his breath. It was easy to see that he loved music. He told me he played the violin.

His own social affairs were delightful and no expense was spared. I remember a dinner he gave at his headquarters on Park Avenue when Henri Spaak of Belgium and I were guests of honor. All the Russian and satellite delegates were there, about fourteen in all. Every effort was made by these charming people to please us, and still, no opportunity was missed to press home the Communist creed. These men were playing a desperate game and the rules were not to be forgotten for an instant. They created opportunities to get me alone to renew the subtle and by this time familiar approach:

"Since we are also Orientals . . ."

They were drumming that slogan on all the world fronts by this time. Hour after hour, on the far side of the Pacific, the Russian radio was sounding this formula in every Asian dialect into the listening ears of Asia: "We of Russia are your fellow Orientals. Join with us and drive out the hated White Man."

° ° °

Russian "Contempt" for U. S.

In Washington, as a representative on the Far Eastern Commission, I came into intimate contact for the first time with Russia's open truculence, arrogance, and insolence as shown toward all matters pertaining to America. This Commission had been set up amongst the nations that had fought Japan in order to help guide MacArthur in his task of democratizing the Japanese. In these meetings, called in the hope of achieving understanding, every statement concerning the United States brought forth words and expressions of utter contempt from the Russians. There were only eleven of us and we were in close contact, so I saw the Russian mind at very close range; Gromyko first, Malik next, then Panyushkin, and alternate delegates who were generals and admirals.

In San Francisco I had guessed at the dim outlines of the Communist blueprint. Now I saw it clearly outlined, and I knew my worst suspicions had been justified. Not only the United States, but all the Western powers were looked down upon by the Soviet state with arrogance and contempt.

It was clear that these people had but one aim—to submerge the United States.

That was all Russia needed. The other powers would collapse with America.

These arrogant and ruthless delegates filled me with a growing fear. They represented a country bent on world conquest.

On the other side of the world, their insidious and persistent campaign of hatred against the White Man was calculated to turn Asia over to Russia and insure an easy Communist victory in the Far East.

After that—as once planned in Berlin, and also in Tokyo—after that, the world!

So this was the Russian blueprint. Out in the open at last, and perfectly clear.

The hate-borne plan was far advanced by 1949. In the middle of that year, China, our neighbor and friend for many centuries, fell to the Communists.

CHAPTER IV — 1949: the "Nightmare" Year

THIS year of 1949 was the most critical in Philippine post-war history.

All the reports coming out of my country were of graft and corruption and of ugly flare-ups among the Filipinos themselves. In Geneva, Rome, Athens, New Delhi, Jakarta, New York, Washington, London, Rio de Janeiro, and Paris, I read these stories and felt sick at heart. Our little nation had just come into its own, and in this short time had become a byword. Everywhere I went I was questioned, jokingly or cynically, until even the friendliest queries became bitter to hear. Our shining hour had been turned into a nightmare.

° ° °

The Huks or "HMB" were the military spearhead of the Communist forces in our country. These were the members of the Hukbalahap, or, to give the organization its full formal designation, the "Hukbong Magpapalaya ng Bayan," or "Army of Liberation of the People." Its origins were in the embryonic Communist Party of the Philippines which had been organized in the early thirties by Pedro Abad Santos and his aides.

° ° °

The end of the war found the Huks a large, powerful and discontented group, well armed with American guns and other armament that had been smuggled into the country by submarine during the war, or taken by the Huks from the Japanese they had captured. Along with this armament went enough ammunition to see them through any war they might devise.

They were on their own now and out in the open. They had never been friendly with the other guerrilla groups who had fought for democracy. There had always been between the two factions that tension which bespoke the real objective of the Huks, the establishment of a Soviet Communist regime in the Philippines.

Their new leaders were Luis Taruc, the supreme Huk who had been forced out of politics in Manila as a Communist, and his principal aides, Casto Alejandrino, Guillermo Capadocia, Balgos and others. None of these was ever avowedly "Soviet Communist." They were always "agrarian reformers," bent on getting the poor "tao" his bit of land and his place in the sun, and they never admitted that their military units operated along lines tested and approved by their Comintern masters, and that the orders they mouthed or published in their pamphlets and periodic "press releases" were clichés which were the demands of the moment from the party line in Moscow.

Communism vs. Religion

The question is often asked how a movement like that of the Huks, which was essentially Communist in motivation and indoctrination, could prosper in a country in which eighty per cent of the population are Catholic. The answer is simple. The "hard core" of the movement, the indoctrinated and dedicated leaders, had learned their lessons in excellent schools for Communism (some in the very shadow of the Kremlin). These "experts" never made the mistake of introducing the atheistic angle into the propaganda they were infiltrating into the peasant masses of Central Luzon, although this was a region tailored for Communism through generations of absentee landlordism—of feudal rule by religious orders and subsequently by owners of the vast estates formerly owned by the orders. But never once did the Huk leaders admit, to Luzon or to the outer world, that they were Soviet-propelled. They were simply the saviors of a simple and oppressed people—no more.

This was how they won the attention and raised the ebbing hopes of the people who had expected so much when war ended and were given little or nothing. The scandals in the government, the betrayal of the public vote in the "dirty election," were tools the Communists used with Kremlin-taught skill to bring themselves to power. The Huks were exploiting and magnifying everything, and spreading propaganda by printed word and from mouth to mouth to inflame the people against a political regime which was failing them, and which the Huks cited as the failure of democracy.

Now they were organizing against the government men who had fought for democracy and who had been ready to die that this very government might survive!

It was a familiar pattern. This was the way it had been done in China. This was the pattern that had betrayed China so that in this very year China fell.

How Huks Gained Recruits

The Huks formed themselves into bandit bands. They were joined by a lost generation of young men who had been taught to rob and kill in war that change might come to better their land—and there had been no change.

They were joined, too, by a scattering of criminals who had fled under sentence or been released by the Japanese during the invasion. Rapists, killers, lawbreakers of every kind were to be found in the Red forces organized by the Huks to harry, subdue, or argue the bewildered peasants into meek acceptance of the rapidly advancing Red authority.

So the Huks succeeded in subduing the people where the Japanese had failed. Aided and abetted by their greatest ally, corruption in high places, which brought increasing conviction to the people that their government was not worth defending, the Huks continued to grow in strength and numbers, under the protection of the people, who began providing food and protection for the Huks, not through fear, but because of their own despair.

Actually, the military force of the Huks was never overwhelming. On Luzon their estimated strength at its height consisted of twenty thousand well-armed men, and Magsaysay was later to estimate the all-over organization at sixty thousand. Out of a population of twenty-one million this is not a large number, but Red conquest never starts with large numbers. We had seen the Red stain spread over White Russia and had learned not to underestimate the power of the minority.

The real danger was the mood of the people. The strength of the Huk movement around Manila lay in the tacit, sometimes active, and always willing support given the Huks by nearly two hundred thousand peasants in the teeming rice fields of Central Luzon.

The Huk leaders were far too clever and too well trained in the finesse of infiltration to attempt open revolt by all the peasants. They worked rather by indirection. They or-

. . . "In Manila there was terror in the streets and there were areas where people dared not venture by night for fear of the marauding bands of Huks. . . . Democracy in the Philippines was on its deathbed. . . . If only we had succeeded then! Indochina would have been saved"

ganized the peasantry in supply sections, as their prototypes had done in China. They trained eligible men in simple governmental duties and maneuvered them into state positions, so that it was not long before practically every important town in Luzon, not excluding Manila, had literally a "standby government," ready to take over—when the Red uprising began—the functions of mayor and local councils and to supplant the official police forces; ready, in short, to assume the functions of government with full control of all communication facilities, from the wire telegraph to the radio.

By 1950 the Huks had reached the height of power and were moving at will about the land, spreading through many islands, and even into the remote southern regions. Corruption in the government reached an all-time high, and the prestige of the government sank to its all-time low. Government credit had reached the vanishing point, there were rumors of the collapse of the peso, and bitterest of all to remember was the two billion dollars given to the people by America with which to aid and bring to maturity the fledgling Republic; gone, along with the last of our own resources, into the maw of government-protected greed. In cities and in the country the Red terrorists roamed at will, equipped by this time with the bounteous supply of ammunition laid up in our country against the invasion of Japan, and which had been permitted by crooked dealings to fall almost entirely into their hands. It is needlessly laboring a point to suggest that the Huks were being supplied with Red arms from the Asian mainland by junk or submarine. They needed no such help from their Soviet masters. Munitions that but for criminal neglect in high places would have been safely stored in the government arsenals were by this time stored in inaccessible hoards in the jungles and hills of Luzon. To the bitter end the "hard core" recalcitrants among the Huks would not surrender their American arms because they knew they possessed an almost inexhaustible supply of American ammunition to fit those arms.

All over the archipelago were panic and the fearful wait that precedes change. The countryside was deserted and in the barrios the huts stood empty and desolate. Farmers no longer farmed. The rice crops lay waste, and the people were hungry. The villagers fled to the cities. In Manila the Politburo set up its headquarters in fine Communist tradition, with the Huk leaders in charge, and were laying definite plans to take first Malacañan and the President, then the entire city. In Manila there was terror in the streets and there were areas where people dared not venture by night for fear of the marauding bands of Huks. The Huks had a well-publicized plan: a membership of two million in another year and then—they would possess the Philippines!

Democracy in the Philippines was on its deathbed, and the Communist-Huk forces were preparing for the *coup de grâce*.

All this was known to the regular forces of the government. At this stage even the most lackadaisical "high brass" of the armed forces admitted that they expected the worst. President Quirino was under heavy guard and in constant fear of his life. It was only a question of time until the Huks took over.

° ° °

On the world front every effort was being made to establish the peace that had been won by war. But there was no peace in Korea, China, Malaya, and Indochina. There was no peace in the Philippines.

In this year President Quirino asked me to interrupt my battlings with Andrei Vishinsky in the United Nations to organize and serve as Chief Delegate of the Philippines to the first Southeast Asia Conference in the Philippines. Seven nations met at Baguio, our summer resort—India, Thailand, Ceylon, Pakistan, Australia, Indonesia, the Philippines. I went from door to door in Washington in the attempt to find help in the movement to unite Asia; I was cold-shouldered. No one in Washington seemed to see any importance then in such a meeting of minds in Asia. Several American leaders said, "It's impractical. It can't be done."

In four more years those very men would be working frantically against time in a belated effort to achieve a similar organization among the few Asian nations that remained free.

If only we had succeeded then! Indochina would have been saved.

On my trips across the Pacific I caught increasingly disturbing glimpses of what was going on in the Philippines, so when in this same year President Quirino asked me to return to Manila as his Secretary of Foreign Affairs, I readily accepted the portfolio. My battles with Vishinsky in the United Nations had made me so aware of the Soviet danger that I welcomed the chance to help fight Communism on the home front.

CHAPTER V

A Philippine "Hiss Case"

THE many battles against the chromium-plated "realism" of the Russian delegates to the United Nations might have prepared me for the danger of challenging entrenched Communism in the Philippines. Unfortunately, this was not so. I was not prepared for the advances they had made, and the open way they were flaunting their intentions and their ability to carry them out.

Even the atrocities committed by the Japanese had not prepared me for the atrocities Filipinos were perpetrating on their brother Filipinos under the Red flag. The Red propa-

. . . "Wherever one turned, there were Communists. They wore many faces, but under the surface was the deadly determination of the Moscow-trained"

gandists had done a thorough job of splitting the Republic. Filipinos who had not been subdued by terrorism had been wooed by pledges of protection or future privileges, once the Huks took over. Beyond these was the dead sea of the lethargic who had ceased to care.

It seemed inconceivable to me that men who had fought side by side on Bataan and Corregidor could have been turned into enemies tearing at one another's throats, and in so short a time. But that is the power of Communism. It knows how to blank out all reason and leave only hatred. It knows how to twist and befoul. All this had been done without actual Russian intervention. It was not needed. The Filipino disciples of the Red terror were doing a superb job.

• • •

Huk Infiltration Tactics

The memory of Quezon holds for Filipinos all that the memory of George Washington holds for the Americans, and his birthday is celebrated by us as a national holiday. In Manila there is also a large parade. Let me give one example of the way the Huks had infiltrated into every echelon of the government, no matter how high. One Quezon Day, President Quirino and his highest dignitaries with a full display of military brass were reviewing the parade from the grandstand, when suddenly, no one knew how, we all found ourselves passing pamphlets from hand to hand. Looking at them, we burst into excited talk.

Who had started passing out the leaflets?

We never found out.

They were Huk propaganda pamphlets carrying printed charges against the Quirino administration and the Constitution, and naming names and listing all the government scandals from the National Bank Scandal on down. Many of those in the group around the President read their names on the Huk list.

We never learned who smuggled the pamphlets into the reviewing stand, but it must have been one of us in the President's own inner circle.

Wherever one turned, there were Communists. They wore many faces and took many forms, but under the surface was the deadly determination of the Moscow-trained.

I have written of Roberto, the bright young man I had selected from many students in Manila to work with me on temporary assignment in the Philippine Mission in New York. He had been with me in New Delhi, Geneva, Rome, Paris and other cities, and later had asked to be returned to Manila. Now as Secretary of Foreign Affairs I was glad to have him again under my jurisdiction, and versed as he was in foreign affairs, he proved to be of the utmost usefulness, although his position was still unofficial. He was bright and willing and had a wide grasp of all the problems that faced our department, and before long, as earlier, he became my valued unofficial aide. He was indispensable during the Southeast Asia Conference at Baguio. Equally indispensable was another young man I will call Manuel, a friend of Roberto, whom he had brought to my office, very strongly recommending him as a valuable assistant I might find especially useful on my official trips abroad.

Both had been with me at Baguio during the Southeast Asia Conference of 1950, alert, intelligent, at home in my private office, glancing over all dispatches, reading all letters, moving at will in and out of the Mansion House near the Presidential Palace, and meeting all the plenipotentiaries and the ambassadors of the countries struggling to uphold freedom in the Far East. I had big plans for both these bright young men.

One afternoon as I was preparing for an official trip to Washington, with Manuel scheduled to accompany me, I received two callers in my office in the Department of Foreign Affairs. One was from Central Intelligence and the other from the National Bureau of Investigation, the Filipino equivalent of the F.B.I. They spoke to me secretly and with great solemnity.

"General, do you know that you have two Communists in your Department of Foreign Affairs?"

They named Roberto and Manuel.

I was indignant. I sputtered denials—one young man had been with me in the United Nations, both at the Baguio Southeast Asia Conference!

Then their dossiers were shown to me. I read and had nothing more to say. I had regarded these young men as sons and had given them every opportunity, every responsibility and trust that would aid them in their advance. And they belonged on the side that was undermining freedom's last chance of survival in our country.

It was another Hiss case.

How I had been duped! I looked back over their records and remembered Roberto and his friendships and opinions along the way, recognizing, now that it was too late, the influences that had flattered and lured him into siding with the Communists. The agents were waiting to hear what I had to say, but I had no suggestions to make. There were no excuses to be made, neither for the two as plotters, nor for myself for having unwittingly aided them in their plans for the great betrayal. I could only shake my head stupidly, and say, "Do with them what must be done."

That was my first personal indication of what was going on all around us. The Reds were everywhere, at the next table, in the next room, at the desk next to mine. There was no time left in which to ask: How has this happened! How has this advanced so far!

• • •

"This is Revolution"

By the fall of 1950, when the armed Communist uprising led by the Huks reached the stage where we could truly say, "This is revolution," sober conferences were held in Malacañan as to what could be done to save the Philippines. President Quirino, beset by dread of the violent spearheads thrusting from every direction against the duly constituted government, and heeding at last the growing clamor of the people for a change, looked hurriedly about for a man to accept the post of Secretary of National Defense, with a directive to put an end to the Huk menace.

• • •

Always eager for action, Magsaysay was most certain of all that he was the man for the job, so when the President sent for him to sound out his views, Magsaysay was ready with a plan to control the Huks. The President approved both the plan and the man, and he appointed Ramón Magsaysay, a man few people knew, as Secretary of National Defense.

• • •

. . . "Magsaysay came to believe that land was a fundamental power in solving the problem of Communism"

Magsaysay asked President Quirino to send me, as Secretary of Foreign Affairs, to Washington to ask for money, and to arouse America to the fact that the cancer of Communism was eating away the Philippines' last chance of survival as a democratic nation.

In Washington I laid our plans before General George Marshall, Secretary of Defense, and he wired General Hobbs, who flew from Manila to Washington to back up my arguments. If we waited for a Congressional appropriation it would be too late; the momentum of our offensive against the Huks would be lost.

General Marshall consulted the Chiefs of Staff, the National Security Council, and President Truman, and ten million dollars was taken from the Defense Department and given to Magsaysay to use as he saw fit.

The United States Government knew that every penny of that money would be honestly spent.

It was given us, in this year 1950, by the United States to help us fight the new enemy, Communism, in the Philippines, and to counter the attacks against "United States imperialism" by Soviet propaganda on the Far Eastern front.

Once more, Filipinos and Americans were fighting together. There was no glory in this defense on the Asian battle line. It was a grubby struggle to root out an octopus ideology that had fastened itself on the minds of millions.

Just the same, it was war, and I do not suppose the average American, tending his garden after work hours, knew of the all-out struggle his country was subsidizing in the Philippines to protect his right to tend his bit of ground.

The ten million dollars sparked the all-out offensive against the Huks; nevertheless, our fight against Communism was costing the Filipinos one-third of our national government spending. This was a cruel penalty leveled by Communism against a struggling and impoverished young nation. The Huks were making it almost impossible for the Philippines to survive as a republic, and only a man with the energy and honesty of Ramón Magsaysay was capable of saving the Philippines at this late hour.

With a rebuilt and revitalized army of forty thousand troops, Magsaysay went out after the Huks in the same violent fashion he had gone after the Japanese, and with an energy and determination that surpassed their own. In olive drab, and with only four hours sleep a night, he was in action everywhere and anywhere, stirring up trouble for the enemy or for the recalcitrant in his own forces wherever he appeared.

• • •

Magsaysay's methods were as bold as they were unorthodox. The Huks had infiltrated; our men counterinfiltrated. The Huks had spy schools in the hills. Magsaysay organized spy schools. The Huks wore many disguises, such as women's clothing. Our soldiers on occasion dressed as women.

A great deal of the action against the Huks followed the conventional lines of warfare, but there were methods used in scouting, patrol, and attack which were guerrilla ways, learned in a tough school by guerrilla-leader Magsaysay. An increasing amount was done with the full understanding and co-operation of the citizens, who gained in courage as their trust in the army was renewed. As a result, barrios and towns were screened for spies with gratifying results, and ambush parties were sent out to cover enemy trails on tips reported by the growing intelligence. Magsaysay was fighting the Huks with their own best weapons by infiltrating the Huk forces with his own agents, winning the trust of the people who had been shielding them, making friends with the families of Huks, and promising them security from the Huks if they refused to protect and provide for them any more.

Then to every Huk who surrendered he pledged amnesty, restored citizenship, and a job; in other words, a new chance at a new life.

Huks began surrendering. Magsaysay talked to them, man to man. They became his friends.

He made friends of other Huks who had been captured. Some of these he persuaded to rejoin their outfits and serve as his secret agents inside the Red lines. Others he organized into anti-Huk brigades who fought as staunchly against their former allies as they had fought beside them. Not one of these men ever let Magsaysay down.

With a commando force made up entirely of ex-Huks he invaded the mountain sanctuaries of Huk Command Number Six on the Island of Panay, which was under the command of the high-ranking Red leader, Guillermo Capadocia. The enemy was powerfully entrenched in these hills where they had set up a Soviet stronghold and had even built so-called Stalin Universities and other Soviet training schools. Our forces captured and killed Capadocia and scattered his commune into small ineffectual bands that were forced to skulk like animals in the hills.

Taruc, too, was in hiding, under the protection of a shrinking number of followers. Taruc still was a power to reckon with and was feared. Otherwise the Red forces were dwindling rapidly. Lava, who had trained Taruc, was dead.

• • •

CHAPTER VI — Land Reform: Democratic Weapon

WITHIN a year Magsaysay had reduced the Huk rebellion from a major national threat to a movement of insignificant proportions; more of a nuisance than a real menace to the security and stability of the Philippine Republic. The Huks continued to retreat, to yield, to break up.

Again one could walk in the streets of Manila and drive through the roads of Luzon without fear.

• • •

As a result of the studies made in the human-relations bureaus, Magsaysay came to believe that land was a funda-

. . . "Magsaysay had been right. The simple art of understanding had proved more powerful than bullets . . . A lesson not only in shrewdness but in Christianity . . . ended the revolution in the Philippines"

mental power in solving the problem of Communism; that many Huks were not Communists by conviction: they were farmers who could no longer make a living on the land tenure, or who had never been permitted to own their land, or who had worked in the hopeless attempt to rid the land of debt and own it, or who had owned land and lost it through debt, or who had it taken from them by unjust means.

Here was something he could understand.

He himself was a man of the people, which is to say, of the land. He knew that love for the land. He realized why these men were fighting: for a place of their own! This had been the basic drive behind the threatened revolution.

He knew then that Communism could never be defeated with guns.

"Land for the Landless"

Acting on this conviction, Magsaysay brought into being a new approach to the Huk problem. He struck at the very heart of the evil that made the Huks possible when he launched the project EDCOR—the army-backed Economic Development Corps whose purpose was to provide "land for the landless."

This was a direct counterattack to the Communist claim that the Huks were "agrarian reformers."

On his travels in the south, Magsaysay had seen great tracts of wasteland lying unclaimed on the underpopulated island of Mindanao. Now he urged the development of the Mindanao resettlement program. He wheedled large tracts of land on the southern island, and certain promises, out of President Quirino. Then he began his campaign to rehabilitate the Huks.

Word was broadcast to the Huks that to all who surrendered and showed a sincere desire to lead a peaceful life the government would give transportation for themselves and their families and such possessions as they could carry, as well as seeds, farm equipment, stock, a government-built cottage, and twenty-five acres of virgin soil on the island of Mindanao. This land they themselves could break and tend, to be theirs and their children's in perpetuity.

A miracle was worked.

The Huks began pouring into the garrisons by the hundreds to lay down their arms. Men who had been living in the hills like hunted animals, robbing and pillaging to eat, heard over the makeshift radios of the chance to live, without fear, with one's family again, to walk without fear into a town, to wake and sleep without fear of arrest, imprisonment, or death, and most of all, to be a landowner: Who would not surrender on such terms!

° • °

The Mindanao settlement proved a successful venture in land reform. It showed that such reform was vital to Philippine security. As word of its success spread through the outposts of the Huk command, Huks began pouring by the thousands into the garrisoned towns to offer their arms in exchange for the new and law-abiding life at Mindanao.

EDCOR has, literally, given the chance at new living to thousands of Huks who were willing to resume a life of peace and usefulness within the law, and who are today reaping bountiful harvests on their own farms which are for many the realization of the dreams of a lifetime.

The Philippines is fortunate in possessing large empty tracts of fertile land which are being portioned out among more and more land-hungry people, including many former Huks. The EDCOR project figures in a report of United Nations experts on community development who toured South and Southeast Asia last year. It is the most successful project in the Philippines today.

Magsaysay had been right. The simple art of understanding had proved more powerful than bullets in conquering the Huks.

As he said in a speech before the State Department in Washington: "We have to destroy the raw materials of the Communists, in other words, give land to the landless. The alternative is to use more ammunition to kill more Huks. I prefer to convert them."

One American official said after hearing that speech that Magsaysay had given us all a lesson not only in shrewdness but in Christianity.

It was a lesson that ended the revolution in the Philippines.

° • °

On May 17, 1954, Huk-Supremo Luis Taruc, who since 1945 had been the Communist leader of the Hukbalahap rebels and the symbol of Red rebellion in the Philippines, came alone out of a morass in Pampanga and surrendered. For almost a decade he had kept the Philippines in constant threat of revolution. A price of fifty thousand dollars had been on his head. Now he was a thin, tired, worn-looking ex-rebel, cut away on every side from the cause that had failed him, and glad to give in.

Taruc's surrender was a final triumph for Democracy, and for President Magsaysay. Many times since becoming President, Magsaysay had tried to negotiate with Taruc and bring him to the point of surrender. Something had always gone wrong. But Taruc had found himself at journey's end, a stray fox hiding out in the Candaba swamp in the province of Pampanga, with his followers killed or captured or having deserted in favor of the democratic side. He who had whipped up the masses was now ignored by the masses. There was no more discontent on which he could feed the people. They would no longer protect him. The army had him surrounded. Rather than be killed, Taruc surrendered.

Taruc's Sentence: "Too Lenient"

As I write this, Taruc has received a sentence of twelve years for rebellion, a sentence that has been protested as too lenient by President Magsaysay. The charge of rebellion covers and supersedes all other crimes, such as pillage and murder. The President holds that Taruc should be tried individually on each of these grounds, and as a result the Department of Justice has ordered the prosecuting fiscal to file new charges that cannot be considered double jeopardy against Taruc. Whatever the outcome, it is not the results of his trial but the surrender of Taruc that is the victory.

. . . "The pattern of Soviet conquest is very clear. The chain of defense is equally so. Starting at the Aleutians, it is the holding line between American freedom and Soviet power"

His surrender marked the final collapse of internal subversion in the Philippines.

A small percentage of Huks are still hiding in the hills. Among these are some who were felons under long sentence, or prisoners awaiting trial who were set free by the Japanese when Japan invaded. These do not wish to stand trial. They remain at large.

At present, Communism in the Philippines has shrunk to less than two thousand outlaw Huks, with a remainder of Huk sympathizers estimated at thirty-two thousand. This is not too high a percentage, out of a population of nearly twenty-one million!

Democracy had won over Communism less by armed force than by the emotional pressure exerted by a united nation. Material, moral, and spiritual aid from America helped the Filipino people in their fight for freedom. From their own inner resources they drew the conviction that assured victory. That conviction was fostered and directed by a man with an understanding of the human dream.

Magsaysay has said: "Communism is an idea you cannot kill with sword or gun. When a man with an empty belly works in a rice paddy on land which is not his, always in debt and with his children hungry—when a man in the position hears someone say, 'Land belongs to the man who works it, come to us and we will give it to you,' then something happens to that man. It is as if a cool wind blew through a hell on earth."

The fight for complete democracy is never ending, no matter how free the land. Our conflict in the Philippines is not completely over. But the beacon light of democracy that came perilously close to being totally extinguished has been rekindled, and it has brightened the face of Asia.

* * *

Up to the time I write, since returning from the Philippines I have spoken in nearly six hundred American cities.

Once before, in 1942 after Corregidor fell, I toured the United States and spoke to Americans of the danger in the Pacific. I had been sent to the United States by General Douglas MacArthur to alert America. I talked then to hundreds of thousands of Americans of the Filipino fight to hold the Philippines to the side of democracy. The battle word then was: "Remember Bataan!"

Again, twelve years later, I am back in the United States on the same desperate mission, calling attention once more to the struggle in the Pacific where democracy is going from defeat to defeat, and where its strength, its prestige, and its very security are steadily weakening under the onslaught of an enemy far greater and more determined on destruction than was Japan.

Again I am reporting to Americans the Filipinos' continuing fight to hold the democratic lines against aggression, giving, as an example of hope and courage, our own victory over Communism inside the Philippines.

There are times I meet with an American who says, "But what has all that fighting over there to do with *me*? 'Asia for the Asians!' What have I to do with anything that concerns the other side of the Pacific?"

For this American I have but one answer. "Take a look at the map, my friend!"

CHAPTER VII

"Russia Fights by Proxy"

VIEWED from the Pacific side the world seems to fall in half like a split apple: rimming one side is Asia, and the other, America. Study the map of Asia, its red-stained areas and those that are still free, and it is easy to see that the free world's line of defense lies on Asia's side of the Pacific.

The pattern of Soviet conquest is very clear. The chain of defense is equally so. Starting at the Aleutians, it is the holding line between American freedom and Soviet power.

Trace it southward on the map, through Japan, Korea, Formosa, Okinawa, Guam, and the Philippines. The Philippines are as a scattering of pinpoints. The United States is much larger and Russia many times larger—large enough to swallow up the world.

Russia is doing just that. Already, it has swallowed up two-thirds of our world.

And still, our pinpoint archipelago has held the line against Communism. Not once, but twice has the Philippines resisted nations bent on conquest, and each time succeeded in upsetting the time schedules set by aggressors far stronger and better-armed: Japan and Russia.

The march of conquest has twice led southward, following the Pacific line of defense. Japan, bent on world conquest, was the first to attempt to break the chain, link by link, starting in China. From China the conquerors could go north and south, through Japan and then Formosa, down to the Philippines. After the Philippines the way would be open to Australia and New Zealand—the last links in the semicircle that shields the American hemisphere.

That chain can hold only as long as its weakest link can hold. While we cannot say which is the weakest link, we do know that in all of Southeast Asia the Philippines is America's only proven ally—America's only proven friend. Aiming to make its conquest doubly certain, Japan struck at the strongest link, the Philippines, thus revealing its blueprint of conquest. Though conquered we continued to fight, and eventually saw the defeat of Japan. Then, from the same direction, we were threatened again.

Russia took over the Japanese blueprint of conquest, following it at every step. Since the ultimate objective of Soviet Communism is world domination, the Communists, too, first

. . . "The most shocking part of the tremendous Communist victory in Asia is this: *in all these victories not one Russian soldier has been killed.* . . . We must realize also that Russia's actual attack against the free world is just beginning"

invaded China. Having done this, they struck through Korea. But there they were halted and pushed back.

Remember, however, that the Japanese, six months before Pearl Harbor, occupied Indochina. They were aware of the strategic value of the territory; they knew that from there they could branch out in every direction for further conquests.

But of even greater importance is the fact that Indochina is the rice bowl of Southeast Asia. In the Philippines before the war we imported much rice from Saigon. Just as Japan had needed rice for its soldiers and its citizens, so Communist China now needs rice to feed its hungry people. To succeed in China, the Communists must have rice. If the Communists can control Indochina and help fill the millions of empty Chinese stomachs, they can control not only China, but other Asian countries where hunger is Communism's strong ally.

Japan tried to accomplish this, and failed. Russia, following the Japanese blueprint in every detail, is determined not to fail.

Russia's Next Target

Japan tried to integrate China, Manchuria, and Korea into the Japanese economy, and failed. Russia is assembling the pattern now, and achieving victory after victory. North Korea, the industrial zone of Korea, has been conquered. Manchuria, next on the blueprint, is the industrial zone of China.

The basic strategy of Soviet Russia now is to integrate Manchuria, the industrial zone of China, and North Korea, the industrial zone of Korea, with Soviet economy. Beyond these lie Japan, Formosa, and the Philippines. If Russia succeeds, the challenge to America's industrial power will be very serious indeed.

The United Nations stopped the Communists in Korea, so they went into Indochina.

* * *

In a succession of bloodless victories, Soviet Russia is winning her objectives now in rapid-fire fashion. The victory in Indochina is Russia's greatest since the Communist victory in China.

The Communists conquered at the Geneva Conference. They succeeded in forcing France, one of the great Western powers, to sue for peace on Communist terms. The Geneva Conference made Communist China a major power in international affairs and recognized in Southeast Asia a new and powerful Communist state.

How was Communism able to win in Indochina? By the refusal of France to cut the bonds of colonialism, an act which alone could have converted an embittered colony into a loyal ally, as the United States had made of the Philippines a loyal ally by making it free. As a result, Vietnam was partitioned by the Geneva Agreement and the Red Star mounted higher; there could be no other outcome.

If, as is not unlikely, all Vietnam goes Communist, Laos and Cambodia, its neighbors, cannot long remain free. And next door lie endangered Thailand, and Burma, Indonesia, and Malaya—all of these already infiltrated by scheming Communists.

The most shocking part of the tremendous Communist victory in Asia is this: *in all these victories not one Russian soldier has been killed.*

To date one hundred and forty-two thousand American boys were casualties in Korea—killed, wounded, and missing. They fought not merely to save that unhappy land, but to hold the defense line of the Pacific. They fought in Korea in order that their brothers may not have to fight in San Francisco, Chicago, and New York.

Chinese have been killed, and Koreans, and Filipinos, and Vietnamese. But not Russians! Russia fights by proxy and wins by proxy; the honors and the booty are Russia's alone.

Again with an eye on the map, let us consider the manpower that has fallen or may yet fall to Russia.

The Chinese and Koreans have fought Russia's war, while Russia's own tremendous manpower reserve remains untouched. Why should Russians fight! Russia has more than one billion people in Asia ready to fight its wars—one thousand million to send to death against the free world.

If Russia conquers all Asia and forces all Asia to fight for her, what will the tally be? Who will help Freedom fight its battles in Asia?

As the figures stand now, the forces of Freedom include twenty-one million Filipinos, eighteen million Thailanders, and eighty million Pakistani. One hundred nineteen million in all. That is all we can count on at this time.

There are eighty million Japanese. I cannot with any conviction list them on the side of Freedom. They would be a powerful addition to our side, but how can we believe that an ancient imperialism like Japan has been democratized after seven short years of military occupation! Democracy has been imposed upon them since the end of World War II, yet one wonders whether they could have changed so much since then.

* * *

Why Democracy Lost Japan

When we discussed with John Foster Dulles in 1950 the issues of the Japanese Peace Treaty, the Philippine Government proposed that a system of education be established in Japan, under United Nations auspices, with emphasis on the teaching of the precepts of freedom and democracy. Mr. Dulles rejected this proposal. Today, Japan's leadership is divided between the Tojo-minded Zaibatsu and the new Communists—and the people do not know enough of democracy to remember the lessons of the first or to understand the perils of the second. They cannot resist the insidious propaganda being skilfully piped into their country from Russia.

No, I do not list the Japanese on the side of democracy. What have we left, then, in Asia? To repeat, one hundred and nineteen million Thailanders, Pakistani, and Filipinos.

These are all we can count on to stand against four hundred sixty million Chinese, and behind these is the untouched reservoir of two hundred million Russians.

The population of the United States is one hundred sixty million.

We must face the fact that the democratic forces are snowed under by Red numbers. We must realize also that Russia's actual attack against the free world is just beginning.

* * *

CHAPTER VIII

Security Plan for Asia

THE situation in Asia is not hopeless. There still remains the great reservoir of the neutral or uncommitted peoples of Asia. These comprise approximately three hundred sixty million people of India, eighteen million Burmese, eighty million Indonesians, and eight million Ceylonese.

It is dangerous to oversimplify and to regard these uncommitted Asian countries as lost, in ideology if not in a military sense, to Communism, and thereby to be written off as a total loss to the free world.

In the face of all the "alienation of allies" talk, it is important to remember that the uncommitted peoples of Asia, while not actual allies of the United States, are still non-Communist countries. They have shown their profound hunger for peace. It is upon this longing for peace that Americans should build an understanding with the Asian peoples that will work for peace. The understanding must come from both sides of the Pacific if it is to be an effective force against Communism.

There are millions of the uncommitted in Asia who will side with democracy if America can gain their faith once more. They need the assurance of America's good will and an understanding of their aims and ideals that were so long ignored by the Western powers. Because that assurance has been withheld, they are not actively committed to our side.

How can they be committed to our side? Asia is flaring all over with little "hot wars." They end in temporary truces only to flare again. The cease-fire in Indochina went into effect on August 3, 1954. How long will it last?

There is trouble in British Malaya and Korea, and rumblings in Burma, India, and Indonesia.

Only in the Philippines are we mopping up the last of the Huk Communists. Our "hot war" is over. Why has this not happened elsewhere? Why have not Asian countries taken an equally firm stand against Communism?

The encouraging answer is that in countries such as Thailand, whose freedom was long respected, and the Philippines, to which independence was freely given, Communism has not been able to assume control. In other countries, where independence has been denied, or has been promised and then withheld, the Communists were able to capture the nationalist movement and use it for their own ends. Communism rode to power on the band-wagon of the so-called "national liberation movement."

To understand this we must consider honestly the relationship between America and Asia and the tragic lack of understanding on both sides of the Pacific.

Neutral Asian "No Longer Helpless"

I have given the side of the neutral Asian. He has been taught by Communist propaganda to bracket the American with all the other white overlords he has hated so bitterly and so long. Now he is no longer helpless; he thinks this is his chance to affiliate with a great and growing power, the Soviet Union, which is pledged to drive away colonial imperialism in Asia. He blinds himself to the Communist danger in order that he may have his revenge against the hated European imperialism.

On the other side of the Pacific is another and equally dangerous form of blindness. Many times, in the United States, I have found myself shouting a message of warning that few seem prepared to heed, and I have been made to feel as helpless as on those days in Manila when we shook our puny fists at the death-dealing bombers overhead that carried the emblem of the Rising Sun.

Everywhere, in a victorious, easygoing, and contented country, I heard Americans say of Asia: "That's on the other side of the world! Let the Asians do the fighting."

But Asia is no longer on the other side of the world. Russia is no longer made ineffective by distance, not with the new missiles; not while Russian guns are being shipped into countries next door to the Panama Canal; not while Communist infiltration is being skilfully practiced within the United States!

All my life I have been commuting between the United States and the Philippines. It was a long journey by boat when I was a youth going to school in America. Every year the distance has shortened, until now I commute by air, deciding in advance on breakfast in San Francisco one day and dinner the next day in my home in Manila, or dinner in San Francisco and breakfast a day later in Manila. Asia is no longer far away.

Still, in the United States, I have heard bitter comment: "Why should we send our boys to fight in Indochina? We aren't fighting any battles for Asians!"

America, child of revolution, seeing its revolutionary inheritance handed on to Asia, cannot see it lost by default to Soviet Russia.

Asia's Unanswered Questions

And on Asia's side there are questions asked that have not been answered. No one has taken the trouble to explain to the Asian what the real American policy is. He, too, hears the cry, "Save Asia." And he asks: From whom? For what? In whose interests? By what means? He is not going to offer up his poor life to save Asia from Communism, so that colonialism shall remain on his shoulders.

No one has told the Asian that the fight to hold Indochina was not a salvage operation for French colonial interests, but for freedom. For that matter, the American has not been told that, either.

America is on the defensive in Asia and misunderstanding is deepening between Asia and America because of errors made in dealing with Asia since World War II. As one example, the cry to save Indochina was always, "Aid France." Why? Because France is a key power in the Western Alliance. It occurred to nobody that a far better reason to save Indochina was, and is, to save the peoples of Indochina for freedom!

How can Asians not believe the Communist propaganda when America is placed in the unfortunate and unworthy position of upholding the colonial interests of its Western European allies? The clear line against imperialism of all stripes, whether Western or Russian, was not drawn in time. Now it may be too late.

There was the earlier example of the Indonesian struggle for independence. Everybody recognizes that this great nation of eighty million people would not have won its independence if the United States had not exerted pressure on the Dutch to

. . . "The picture in Asia has changed radically since the Atlantic Charter was signed"

set it free. Why, then, is Indonesia not siding whole-heartedly with America in the current cold war?

Part of the answer is to be found in the equivocal attitude of America at the beginning of the Indonesian struggle for freedom. America had been reluctant to displease the Dutch and to "weaken" the Netherlands as a member of NATO. In statement after statement in the Security Council I helped to champion the Indonesian cause as a representative of the Philippines. In private conversations with high American officials and in speeches before American audiences I warned that America's reluctance to support the Indonesian struggle was a betrayal of America's own revolutionary past and that America would be judged, in Asian eyes, by the company of the colonial powers which it preferred to keep. When, after much vacillation and spilling of blood in Indonesia, the United States eventually pressured the Dutch into relinquishing their hold on Indonesia, it was too late. By that time, the Indonesian people had begun to distrust America. Their minds had been poisoned by doubts while they waited and hoped, for meantime, Dutch soldiers, wearing uniforms made in America and using arms made in America, were carrying on a so-called "police action" against the Indonesian people.

U. S. Errors on Indonesia

If, in the beginning, the attitude of America toward Indonesia had been on the pattern of its generous attitude toward the Philippines, eighty million Indonesians would be with us today, committed on the side of the free world. If, in the beginning, the United States had stipulated that there would be a general liquidation of the colonial system in Asia, this would have sealed the trust of the Asian peoples.

America stands at the crossroads in Asia. On one hand is the American ideal, sprung from its revolutionary traditions, its record of liberating and recognizing the independence of the Philippines. On the other hand, political expediency inclined the United States to moderate its sympathy for the peoples of Asia and Africa so as not to alienate its Western allies, which include of course the colonial powers.

The commitments assumed by the United States under NATO made it no easy matter for America to support the colonial interests of its European allies and at the same time keep faith with Asia. The situation brought on a dangerous dilemma, made even more so by the Communist pretense that Russia is the only true foe of Western imperialism and the only true champion of the subject peoples. Millions in Asia and Africa have been subjected to such propaganda. If they were swayed by these arguments, it is not because they feared the new and little-known Communist imperialism the less, but because they hated more the centuries-old White imperialism they know too well. The recent talk of "aiding" the French in Indochina only gave support to the Communist claims.

We must bear in mind that the word "democracy" does not necessarily strike a responsive chord in the heart of every Asian. The pattern of Asian society from time immemorial has been, as a rule, authoritarian rather than democratic. Therefore we should not expect the great bulk of the Asian peoples to be filled with a passion for democracy, particularly since the Communists have cleverly taken over the term "democracy" by calling their dictatorial regimes "popular democracies." The fact is that democracy in the Western sense, based on the fundamental principle of the rights and freedom of the individual, has gained a foothold in only a few countries in Asia. The Philippines is one of these.

Since the surrender of Japan, the story of Asia is that of a continent struggling valiantly and without too much success to recover from a war foisted upon it by power-greedy aggressors. Asia was laid waste by Japan and left too prostrate and weak to resist or even to recognize the advance of a newer, more ruthless, and infinitely better-equipped aggressor looming in the West.

Even today the greater part of Asia seems unaware of the far more dangerous overlordship of Russia. The fact is that the Asian has been rendered deaf and blind to the Communist menace by his determination that the White Man shall not rule again. That determination has also been nourished by Communist propaganda.

It is this lack of awareness in Asia of the Communist danger—this apparent tendency to discount its significance compared to the domination of the white European from which Asia has just emerged—that presents the greatest danger today to freedom. It can be ascribed to the fact that the war, which produced its great partisan and military leaders in Asia, did not bring a new concept of leadership into being except in one country. The prewar leaders of Asia wrote a shining page of history, but they are still rehashing today the anti-colonial lessons they used to preach with such tremendous effect, and the lessons are outdated.

The exception to the over-all Asian picture is in the Philippines, where the conditions under which independence was achieved made it possible to shift emphasis from the struggle against the overlordship of the white man to the problems which a people, relieved of the necessity to fight anew for its political freedom, faced with the advent of that freedom.

If this American-Philippine method of instilling democracy at the lower levels had been followed in Japan, for example, who can say that Asia today would not be a freer continent, with a better awareness of the promise and the dangers of the future?

The new Russian propaganda centered on the so-called "peace offensive" makes it more urgent that the West, particularly the United States, continue to give assistance to the underdeveloped countries on a basis of self-help and mutual respect, and not as a special favor with political strings attached, nor as a disguised vestige of colonial imperialism.

Atlantic Charter's "False Hope"

Ever since the Atlantic Charter, which gave the false hope to Asia that it might benefit thereby, was signed at the beginning of World War II, I have been advocating a Charter for the Pacific based on a similar pattern. This became all the more necessary after Winston Churchill, one of the two co-authors of the Atlantic Charter, made it painfully clear to the non-self-governing peoples of Asia and Africa that the bright promise of that historical document was not meant for them. As a result, I outlined the blueprint for a Pacific charter in my book, *Mother America*, published before the founding of the United Nations. If such a pattern had been followed, much of the misunderstanding and confusion that has proved a fatal barrier to world peace might have been avoided.

The picture in Asia has changed radically since the Atlantic Charter was signed. But in view of what Churchill said, the changes took place in spite, and not because, of the At-

. . . "Clean out graft and incompetence from the government—the filth Communism feeds upon—and Communism cannot survive"

lantic Charter. It became obvious that we should have a charter of freedom for the countries rimming the Pacific if the area was to be saved for democracy.

More than once has the olive branch of understanding been proffered across the Pacific by the Philippines, the meeting place for half a century between East and West.

In 1949 the Philippine Government proposed that the United States boldly assume leadership in establishing a defensive system for Southeast Asia in the same way that NATO already guaranteed the security of Western Europe. The suggestion was lightly passed over.

Despite America's indifference we insisted on our plan, and in 1950, at Baguio, our mountain capital, a conference which I had the privilege of organizing and over which I presided, was held, with official representatives of Australia, Ceylon, India, Indonesia, Pakistan, Thailand, and the Philippines. The meeting closed with the adoption of this principle: "That in the consideration of the special problems of South and Southeast Asia the point of view of the peoples of this area be prominently kept in mind, by any conference dealing with such problems, so that better understanding and cordial relations may subsist between the countries in the region and other countries of the world." This conference was virtually unnoticed by the American press.

Western leaders now recall rather wistfully that these appeals were voiced some time ago by peoples who longed to be understood by the greatest democracy in the world, but who went unheard. The plea was heard instead by Soviet Russia, which had plans of its own.

Five-power military talks between America, Great Britain, France, New Zealand, and Australia were held in 1952, 1953, and 1954 to discuss the defense of Asia against Communism. Why were Pakistan, the Philippines, and Thailand, the three Asian nations now in alliance with the West, not asked to join the discussions? Surely it would have been useful to invite to the meeting Lieutenant General Jesus Vargas, able and courageous Filipino field commander under President Magsaysay, who successfully fought the Communists in the field. None of those in the discussions actually fought them in the field as General Vargas did. Yet when the United States insisted on including the Philippines and Thailand in the talks, and Great Britain refused, America gave in. On what grounds we were excluded and denied the right to speak, we were never told.

But here, again, even in this relatively minor incident, we see the kind of dangerous blunder the United States is almost always certain to make so long as it permits its own Asian policy to be made in London or Paris instead of basing it courageously on its own historic traditions of liberty and on the pattern that it so wisely set in the Philippines.

To get closer to the heart of Asia, America must use its own heart more. The peoples of Asia will respond with understanding and sympathy to the freedom-loving, the generous-hearted, the deeply humane America of Washington, Jefferson, Lincoln, and Franklin Delano Roosevelt; on the other hand, nothing will more surely repel them than an America that carelessly allows its escutcheon to be blemished by the sins of its European allies.

• • •

CHAPTER IX

The Lesson of the Philippines

OUR fight against Communism which ended with the surrender of Huk-Supremo Luis Taruc has in it certain basic lessons which may be applied for use against Communism in any country in the world. Yes, even in America, where Americans do not need to be resold democracy! It is not new to them. They have possessed it since 1776.

But faith in democracy must be continually fed, and the spirit of democracy kept in constant action, if Communism is to be stopped in its attempt to take the world.

Before the Filipinos defied Communism they had to be recharged with faith in democracy, which had been lost to them by postwar confusion and greed.

When our government was weak and incompetent and graft-ridden, the people lost faith. They protected Taruc. They found excuses for Communism.

When the government changed and the Filipinos elected their own President, and were made to realize that intelligence and honesty had taken public office, from that day on they refused to hide Taruc. They turned against Communism. They fought for democracy.

The final victories of our crusade are the Manila Pact and the Pacific Charter.

These are the basic elements of that crusade:

Cut the navel cord that joins the subversive groups to the masses and the subversives cannot exist. Clean out graft and incompetence from the government—the filth Communism feeds upon—and Communism cannot survive.

Try it elsewhere—in Asia—in Europe—in America. It will work anywhere. It will be as effective on a world scale as it was in the Philippines.

People will fight for freedom when they have a stake in that freedom.

So before military alliances are formed between nations, the people themselves must first be inspired with the principles for which they are to fight.

One United States Congressman said to me when I was President of the United Nations General Assembly:

"You can't fight Communism with words."

No, not perhaps with mere words. But by building faith through the enunciation of certain unassailable moral principles, it can be done.

We saw it done—in the Philippines!

THE RIGHT TO SURVIVE

BY DAVID LAWRENCE

MUCH HAS BEEN SAID in recent months about the right of the individual under the Fifth Amendment of the Constitution to decline, for reasons of his own, to testify in formal proceedings.

Very little has been said about the right of the state to protect itself against infiltration by enemy agents seeking to undermine our own government.

Does the Constitution really grant rights to the individual that are superior to those reserved to the people as a whole? Must a traitor in our midst go scot-free because someone who knows of his whereabouts, or about his plotting, refuses to testify on the ground that on the witness stand he might say something damaging to himself and hence be prosecuted?

Congress wisely met that dilemma by passing a law in 1954 which specifically grants immunity from prosecution to any citizen who is willing to tell all he knows about a suspected crime.

Already a test case has arisen, in which the individual, notwithstanding an offer of immunity, has invoked the Fifth Amendment and refused to give to our government the information he possesses about Communist infiltration. Last week that case was decided unanimously by the U. S. Circuit Court of Appeals in New York, and the defendant was ordered to tell what he knows. Unless the Supreme Court now reverses this order, the judgment will stand.

For a long time there has been a controversy about the scope of the Fifth Amendment. It has been rightly argued that under its protection nobody should be required to give testimony that might incriminate him alone. But it has been difficult to understand why anyone should be protected who declines to divulge what he knows about other persons.

If a child is killed by a taxicab, does the driver of another taxicab who saw the accident have the right to say he will not testify because it might give him undue publicity or injure him in the chances of retaining employment from the same taxicab company, especially if it is to be sued for damages on the basis of his prospective testimony? Not at all. He can be summoned to court and required to testify as to what he saw. He cannot evade a subpoena.

But, under the peculiar reasoning which has been publicized by some of the "left wing" lawyers, a man who knows about a plot to assassinate a high official or to destroy our government, can remain silent and claim immunity under our Constitution. This would mean that the right of an individual supersedes the right of the state to provide for its own survival.

If perchance the Supreme Court should accept this distorted reasoning, the American people would promptly approve a constitutional amendment to make clear that the state has a right of survival which transcends the refusal of an individual to give up the knowledge he has of someone else's guilt.

Congress gave careful consideration to the immunity law before passing it. There was not the slightest intention to compel anyone to testify against himself. There was every intention to remove the last excuse that Communist sympathizers have for evading an obligation to their own government. They claim its protection for their own convenience, but are unwilling to recognize their duty to assist in the protection of all the people against a common enemy. Judge Samuel H. Hofstadter, of the Supreme Court of New York State, wrote recently an article on immunity laws in which he said in part:

"To meet the problem presented by the criminally implicated witness, the practice of granting pardons in advance of the testimony was adopted as early as 1742 in England. The first immunity law was adopted by Congress almost 100 years ago in January, 1857. Since then, immunity has been made available to witnesses testifying to violations of almost every regulatory federal statute and there are immunity statutes in probably every State of the Union."

We sometimes hear it argued that it is better that ten guilty individuals should be permitted to escape rather than that one individual who is innocent shall carry a stigma of accusation. If so, shall grand juries be deprived hereafter of the power to hand down indictments just because the publicity of a trial may be harmful to a defendant who is later acquitted?

Should a man who steals atomic secrets be allowed to furnish them to another government—which can use them to destroy us—rather than let the authorities risk drawing in some allegedly innocent person?

It is debatable what the word "innocent" means. Individuals who have made bad mistakes in judgment by joining organizations later classed as Communist fronts are not disloyal, and they can be forgiven their error. But because of possible inconvenience and the publicity they may suffer—due to their own indiscretions—are they entitled to more consideration than should be given to the safety of all the people?

Clearly the right to survive, especially in a nuclear age, is the paramount right.

Another new development using

B. F. Goodrich Chemical *raw materials*

B. F. Goodrich Chemical Company does not make this vacuum cleaner. We supply the Geon materials only.

Home stretch that sets the pace in sales

HERE'S an example of how Geon polyvinyl materials can improve a product, make it more saleable. This newly designed vacuum cleaner is headed for stardom in a highly competitive market.

The manufacturer has capitalized on the versatile qualities of Geon to make the machine more efficient, lighter and stronger. The Geon hose is more flexible, can be cleaned by a damp cloth, is much lighter, and actually stretches from 8 to 15 feet! It is abrasion proof and can be yanked around the house without damage.

The furniture guard and other attachments are made from Geon rigid vinyl materials for better abrasion resistance, cleaner colors, and no distortion. The fingers on the litter pickers are made of flexible Geon—a big improvement over bristles.

This cleaner points up how the use of Geon in either new or redesigned products offers advantages over other materials. Geon in its many forms is available for extrusion, injection and slush molding, dipping, coating or spraying. There's a profitable Geon application in your business future.

To find out more about our materials, please write Dept. N-4, B. F. Goodrich Chemical Company, Rose Building, Cleveland 15, Ohio. Cable address: Goodchemco. In Canada: Kitchener, Ontario.

GEON RESINS • GOOD-RITE PLASTICIZERS . . . the ideal team to make products easier, better and more saleable.

GEON polyvinyl materials • HYCAR American rubber and latex • GOOD-RITE chemicals and plasticizers • HARMON colors